

12-2012

## December 2012

Inland Empire Business Journal

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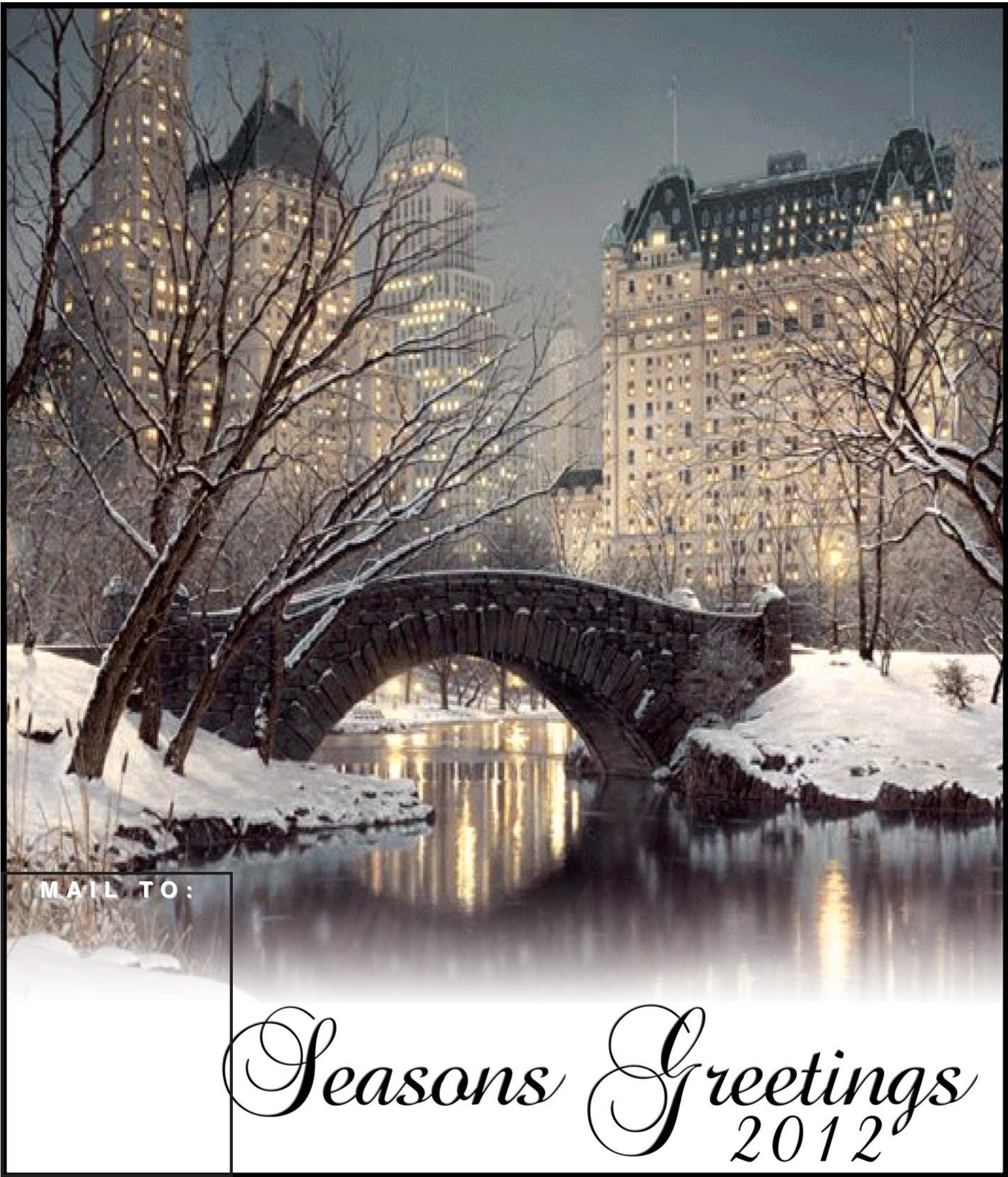
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## AT DEADLINE

### Future of Health Insurance Exchanges

Ron Goldstein, president and chief executive officer of CHOICE Administrators, joined with fellow executives from five of the state’s leading health plans to discuss the future of healthcare in California at a special forum recently hosted by the Inland Empire Association of Health Underwriters (IEAHU). Sharing the panel with Goldstein were representatives from Aetna, Anthem, CIGNA, Health Net and Kaiser Permanente.

Focusing his remarks on one of the most significant changes being brought about by the Patient Protection and Affordable Care Act (PPACA), Goldstein told the audience that health insurance exchanges provide new opportunities for brokers and health insurance agents to grow their business. “Employers and individuals are looking for a vehicle that provides affordable health insurance that meets their needs while providing choice and affordability, and for many health insurance exchanges will be the answer,” he said.

Goldstein said that while exchanges may be sold directly to the consumer, the critical role of brokers has been acknowledged by the state; and the broker’s expertise and knowledge will be more important than ever in this environment. “Brokers are best equipped to provide the information and unbiased recommendations employers need to make well-

*continued on page 44*



### California Amends Statutory Requirements for Employee Personnel Files

On Jan. 1, 2013, an amendment (AB 2674) to California Labor Code § 1198.5 goes into effect, changing California’s statutory requirements in regards to employee personnel file records. These changes are as follows:

#### Who May Request to Inspect and/or Obtain Copies of Personnel Records

Current law does not explicitly provide for inspection of personnel files by former employees. With this amendment, current and former employees, as well an employee’s representative, have the right to inspect and receive a copy of their personnel records. A representative is someone authorized by the employee in writing (e.g., a lawyer or translator) to inspect or obtain a copy of their personnel records. The amended statute limits the employer’s duty to respond to no more than 50 requests from a representative in a calendar month, which protects an employer from being overburdened by a representative making requests on behalf of many employees. Employers only have to respond to one request per year by a former employee.

In addition, employers may take reasonable steps to verify the identity of the current/former employee or representative.

#### Special Form

As a new requirement, employers must provide a request form for inspection or copies of personnel records upon a verbal request from the employee or a representative, and may designate a person to whom personnel records requests should be made.

#### Complying with a Request for Inspection and/or Copies of Personnel Records

Currently the law requires the employer to provide copies only of what employees had signed; under the new law, if an employee requests a copy of his or her personnel file, employers must provide a copy, subject to charges for the actual cost of reproduction.

The amendment specifically defines the time period for providing access to personnel files. Employers

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Pitfalls that  
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### Bary Freet Named Newest Member Tramway Authority

Bary Freet has been appointed to the Mount San Jacinto Winter Park Authority by the Riverside County Board of Supervisors. Freet retired from the Palm Springs Fire Department in 2004 and has since served as the executive director of the Weil Institute of Critical Care Medicine.

“I’m looking forward to working with Bary again, as we did when I was with the City of Palm Springs,” stated Rob Parkins, general manager of the Palm Springs Aerial Tramway.

Supervisor John Benoit, who appointed Freet stated, “Bary has valuable experience in public safety, fire safety and natural resources management. His skills and demonstrated commitment to serving the public make him an asset to the Tram Board.” The seven-member Mount San Jacinto Winter Park Authority, a public agency and public corporation of the State of California, is the governing body of Palm Springs Aerial Tramway.

Two members of the Authority are appointed by the Palm Springs City Council, two by the Riverside County Board of Supervisors and three by the California Governor. They serve without compensation for a four-year term.

**There is no time more fitting to say  
thank you and to wish you a  
happy holiday season and a new year of  
good health, happiness and prosperity.**

*Bill the publisher guy.  
Ingrid the managing editor gal.  
Jon the graphics' guy.  
Eileen, Mitch, Terrell, Brian, Camille and the entire team.*



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Quotations on Time

The more sand has escaped from the hour glass of our life, the clearer we should see through it.  
*Jean Paul*

The man who wastes to-day lamenting yesterday will waste to-morrow lamenting to-day.  
*Philip M. Raskin*

God never imposes a duty without giving time to do it.  
*John Ruskin*

Take all the swift advantage of the hours.  
*William Shakespeare*

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business journal

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California...

*continued from pg. 3*  
must make the records available for inspection or provide copies within a reasonable time not to exceed 30 calendar days from the date of a written request. A mutual agreement for an extension cannot exceed five extra calendar days. Employers may redact the names of non-supervisory employees from personnel records that are produced or copied.

For current employees, employers must make the records available for inspection where the employee reports to work, or another mutually agreeable location. For current employees, if the employee is required to inspect/receive a copy of the files at a different location from where the employee reports to work, the employer may not deduct from pay for work time lost in traveling to review the file.

For former employees, the employer must make the records available where the employer stores the records, or another mutually agreeable location, as agreed upon in writing. A former employee may receive a mailed copy of the records if they reimburse the employer for the actual postal expenses. In the case of a former employee who is terminated for a violation of the law, harassment or workplace violence, under the new law, the employer may designate a location for inspection other than the workplace, provided the place is within a reasonable driving distance from the former employee's home. Alternatively, the former employer may mail a copy of the records to the terminated employee.

Retention of Personnel Records

In contrast to current law, the amended statute requires that an employer retain personnel files for at least three years after an employee's termination.

Penalties for Employers

Violation of the statute carries a per violation penalty of

\$750, in addition to injunctive relief and attorneys' fees.

Further, violation of this section is an infraction.

Exceptions to the Production of Personnel Records

If a current/former employee sues the employer in a lawsuit related to a personnel matter, defined as a matter where the employee's personnel records "are relevant to the lawsuit," the right of the employee to inspect/get copies of person-

nel records under this section ceases during the lawsuit, and the employee must proceed through regular litigation channels to obtain the file.

Also, the amended law does not apply to employees subject to a valid collective bargaining agreement that expressly provides for all of the following "(1) The wages, hours of work, and working conditions of employees; (2) A

procedure for the inspection and copying of personnel

records; (3) Premium wage rates for all overtime hours worked; (4) A regular rate of pay of not less than 30 percent more than the state minimum wage rate."

Significance for Employers

Employers should educate management personnel regarding these new requirements, prepare a written form for employees who make verbal inspection/copy requests, and designate an individual to respond to  
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High Desert Report  
A quarterly economic overview

Snapshot Of The Commercial And Industrial Real Estate Markets In The High Desert

By: Ronald J. Barbieri, Ph.D. and CPA - The Bradco Companies

Office Market

As of June 2012, the High Desert had almost 5.5 million SF of office space. The net absorption for the first half of 2012 was 17,524 SF compared to 26,287 SF absorbed in 2011 and 133,281SF absorbed in 2010. The vacancy level at the end of the 2nd quarter 2012 was 322,000 SF or 5.9% of the total inventory. There was only a slight increase in the demand for office space in 2011 and the first half of 2012, which resulted in a small decrease in the vacancy rate. Most of the increase in office space demand over the last two and one half years was from the expansion by local government and the medical profession. Because of budget constraints the demand for office space by the government sector is not likely to increase in the next two years. There was 3,480 SF of office space in Apple Valley under construction as of June 2012. While the office space is only slightly over-supplied, there has not been any significant increase in the demand for space in the High Desert in the last year and a half. This has caused office rental rates to decline over the last 18 months.

Retail Market

There was 15.6 million SF of retail space in the High Desert of which 1,390,000 SF was vacant at the end of the 2nd quarter 2012. This represents a vacancy rate of 8.9%. The demand for retail space has been basically flat over the last 2-1/2 years. The High Desert experienced a net absorption of 56,000 in the first half of 2012, compared to

a net negative absorption of (60,472) in 2011. In 2010 the High Desert absorbed 210,655 SF in 2010. The only retail space under construction is the 58,000 SF that Macy's is adding to the vacant 70,000 SF former department store in the Victor Valley Mall. However, this will not be reflected in the absorption figures until 2013. Two super Walmarts in Victorville and Hesperia were under construction as June 30, 2012. Another super Walmart is likely to be built in Apple Valley by 2014; and two more are planned for Victorville.

Industrial Market

There was 20.4 million SF of industrial space in the High Desert at the end of 2011. The vacancy rate was 4.7% or 957,000 SF. The net absorption in the first half of 2012 was 294,000 SF. This

compares to 969,000 SF in 2011 and 967,000 SF in 2010. There was no industrial space under construction as of the end of the 2nd quarter 2012. Most of the absorption over the last 2.5 years was in the large boxes. Substantial warehousing and distribution as well as manufacturing companies accounted for the increase in demand. The City of Adelanto absorbed 250,000 SF in 2012, which represented 85% of the increase in the demand for industrial space in the High Desert during the first half of 2012. A 170,000 SF addition to Rubbermaid's existing facility at SCLA in the City of Victorville is under construction; and a 75,000 SF expansion of True Blue's facility has started in the Town of Apple Valley.

High Desert Real Estate Market Data By City - 2nd Quarter 2012						
	Adelanto	Apple Valley	Barstow	Hesperia	Victorville with SCLA	High Desert
<b>Office</b>						
Ending Inventory (SF)	143,765	1,051,018	574,968	1,054,919	2,598,747	5,423,417
Vacant Space (SF)	0	62,519	51,781	33,382	174,578	322,260
Vacancy Rate	0.0%	5.9%	9.0%	3.2%	6.7%	5.9%
Net Absorption:						
Through June 2012	0	0	(2,975)	12,067	8,432	17,524
During 2011	500	39,428	(28,851)	(7,863)	23,073	26,287
During 2012	1,000	31,347	11,918	32,457	56,559	133,281
Under Construction (2nd Qtr. 2012)	0	3,480	0	0	0	3,480
<b>Retail</b>						
Ending Inventory (SF)	254,886	3,024,447	2,784,852	2,713,341	6,820,145	15,597,671
Vacant Space (SF)	18,327	329,454	270,133	189,680	582,563	1,390,157
Vacancy Rate	7.2%	10.9%	9.7%	7.0%	8.5%	8.9%
Net Absorption:						
Through June 2012	(6,525)	(3,465)	(35,598)	(765)	102,372	56,019
During 2011	2,092	(150,247)	(4,784)	45,330	47,137	(60,472)
During 2012	14,987	124,880	7,907	55,758	7,123	210,655
Under Construction (2nd Qtr. 2012)	0	0	0	195,000	273,000	468,000
<b>Industrial</b>						
Ending Inventory (SF)	3,320,283	2,753,547	1,440,046	4,563,523	8,372,156	20,449,555
Vacant Space (SF)	66,288	76,753	298,924	308,102	207,475	957,542
Vacancy Rate	2.0%	2.8%	20.8%	6.8%	2.5%	4.7%
Net Absorption:						
Through June 2012	249,827	(5,583)	10,604	(2,542)	41,747	294,053
During 2011	(129,213)	30,515	(64,454)	78,896	1,053,064	968,808
During 2012	(11,342)	(16,670)	70,480	(88,756)	1,013,432	967,144
Under Construction (2nd Qtr. 2012)	0	75,000	0	0	170,000	245,000
Based on Information Obtained from Costar						

The Bradco High Desert Report

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# High Desert Report - A Quarterly Economic Overview

## City of Victorville – Fall 2012

By Tracy Foster, Management Technician

As the largest city in the High Desert, Victorville is leading the way towards a strong economic recovery for the region. Victorville’s population of 113,000 continues to grow and diversify faster than the national average. To keep up with that growth, several companies have located or expanded in Victorville in the past year. These signs point to a strengthening economy, with forecasts of more development in retail, industrial, and even housing in the coming year.

**Industrial**  
Industrial development has been key to job growth throughout Victorville over the past decade. This year, companies such as United Furniture Industries and M&M/Mars have brought in over 150 jobs to the region. M & M/Mars relocated from their existing Victorville location to a larger and more modern facility at Southern California Logistics Airport (SCLA). Their former site was not vacant for long as it became a perfect location for Church & Dwight, the parent company of Arm & Hammer. Church & Dwight opened operations in July, manufacturing Arm & Hammer liquid laundry detergent, XTRA laundry detergent, and Arm & Hammer clumping cat litter onsite.

**Retail**  
Retail has seen a resurgence in 2012 with activity taking place throughout the city. In September, a brand new 193,000-square-foot Walmart store opened to much fanfare and excitement. The new store is located just off Interstate – 15 and will provide a multitude of products, including a vast array of produce, meats, and other grocery products. Panera Bread began construction on a new restaurant in September, which will be located within the new

Walmart shopping center off of Bear Valley Road and Interstate -15.  
The largest retail development is the transformation taking place at the Mall of Victor Valley. The mall itself is getting a makeover, with newly

designed entrances and décor. The mall is also expanding, with construction taking place on two of its anchor locations. JCPenney’s is completing construction on its new 100,000-square-foot location that doubles its current size. JCPenney’s

new site will be open just in time for the busy holiday season. Victorville residents are very excited about Macy’s plans for its first store in the High Desert. Macy’s will open a 103,000-square-foot anchor at

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## MARKETING

### The End of Marketing As We Know It

*A number of signs point to an inconvenient truth for many businesses: Traditional marketing is on its way out. In place of this broken model, America's most innovative companies are implementing new, more authentic techniques based on peer influence and community building. Bill Lee explains how you can join them.*

Consider for a moment the annoying, interruptive, often obnoxious nature of traditional marketing. Dinnertime phone calls from strangers in noisy call centers. Glossy pictures of the latest fashions worn by models who barely look human. Crowded store shelves with head-spinning arrays of options arranged in no discernable order (“I just need some toothpaste!”). Company websites that give us no clue what the business actually does. Hype. Spin. Pushy salespeople.

It's hard to believe these are the methods and tools of a profession designed to attract and persuade us to become customers, says Bill Lee—especially when “we the buyers” increasingly ignore them.

“A number of studies are showing that people no longer pay much attention to traditional marketing as they progress through the ‘buyer’s decision journey,’” says Lee, author of “The Hidden Wealth of Customers: Realizing the Untapped Value of Your Most Important Asset.” “Instead, buyers are checking out product and service information in their own way, often through the Internet, their social network, or just plain word-of-mouth or customer reviews. It seems clear that marketing as we currently practice the discipline is on its way out.”

The inability of traditional marketing to engage buyers hasn't escaped the notice of CEOs, the ones who approve its budgets. A pair of wake-up-call studies by the Fournaise Marketing Group in London in 2011 and 2012 found that more than 70 percent of CEOs think that their chief marketing officers lack business credibility, lack the ability to generate acceptable

growth, and lack the ability to explain how their programs will lead to increased business. Nearly four in five CEOs complained that CMOs can't explain how brand equity can be linked to recognized financial measures such as firm equity.

A bitter pill for mainstream marketing executives, perhaps, but Lee says you can hardly blame the disgruntled CEOs when you consider the logic behind traditional marketing in light of today's world.

“Think about it: Companies hire people who come from outside the buyer's world and don't share his interests—employees, agencies, consultants, and the like—and expect them to persuade buyers to hand over their money,” says Lee. “Yeah, right! There is no respected research on group behavior suggesting that such an approach is conducive to influencing people to take action or change.”

Of course, not everyone in the marketing world clings to worn-out methods, says Lee. In fact, he works with a pioneering group of C-level and forward-thinking marketing executives who are successfully replacing this increasingly dated model with something that customers actually welcome and respond to. For those who'd like to join them, Lee offers the following advice:

**Go retro: Cultivate a local buying experience.** It's a myth that social networks and their technologies are creating new approaches to marketing. At their most effective, they're doing the opposite: They're allowing customers to re-create the experience of shopping and buying in their local communities.

Think about it this way: How do buyers prefer to pur-

chase a lawnmower, a haircut, a good dining experience, a movie, a car, the services of a good assistant, or a good doctor? Do they pick up the phone and call a salesperson, or read through a bunch of business websites? No, they're much more likely to talk to neighbors, friends, colleagues at work, and others in their peer networks and ask what they've used.

“Marc Benioff understood this when he was building Salesforce.com to compete against much bigger, entrenched competitors,” says Lee. “He was building a better enterprise software product, and to get the word out, he organized ‘City Tour’ events and neighborhood ‘street teams.’ The City Tour events would bring his customers together with prospects and a few other interesting people for presentations and group discussion.

“Benioff found that buyers were much less interested in hearing from him than they were in talking to his customers—their peers, other software programmers like themselves,” he adds. “When he studied the numbers, Benioff found that 80 percent of the prospects who attended such events wound up becoming customers themselves—in effect, an 80 percent close rate.”

**Cultivate customer sales and marketing people.** Business spends billions of dollars training salespeople to build relationships with prospects and customers. But no one has to spend a dime training a customer to build a trusting relationship with your prospects. Since they're peers, they pretty much already have one. Microsoft builds on this aspect of human nature when it penetrates new markets, often in for-

eign countries where they don't speak the language or understand the culture. The firm will engage with local software users—whom they call MVPs (Most Valuable Professionals)—many of whom have built substantial followings of their own through blogging and their social networks.

“One is known as ‘Mr. Excel’ to his followers, and on some days his website gets more visits than Microsoft's own Excel page on its corporate website,” says Lee. “Many companies, when faced with the same situation, threaten lawsuits. Microsoft embraced Mr. Excel. In fact, they support his activities with ‘insider knowledge’ and the opportunity to get a sneak preview and to test new releases. In return, Mr. Excel, and thousands of other Microsoft MVPs, wind up providing invaluable input as the firm develops new releases, and produce its most effective marketing communications, as buyers realize that it comes from a peer they know and trust.

“In such ways, the MVPs are helping Microsoft penetrate and grow markets more effectively and cost affordably than the corporation could do using traditional marketing approaches staffed by hired outsiders,” he adds.

**Build strong customer communities.** Consider Harley-Davidson's success in creating a sense of community around its bikes. Three decades ago, the public associated Harleys with gangs and outlaws, which turned off consumers. Harley-Davidson worked hard to change the image, first by getting police departments to start using them, and then by working assiduously to build a cus-

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# DUFF & PHELPS/INLAND EMPIRE BUSINESS JOURNAL

## STOCK CHART

### THE GAINERS

Top five, by percentage

Company	Current Close	Beg. of Month	Point Change	%Change
Hot Topic Inc.	9.66	8.48	1.18	13.9%
Provident Financial Holdings, Inc. (H)	15.65	14.77	0.88	6.0%
Outdoor Channel Holdings, Inc.	7.45	7.26	0.19	2.6%
Monster Beverage Corporation (L)	45.74	44.65	1.09	2.4%
Watson Pharmaceuticals, Inc. (H)	85.26	85.95	-0.69	-0.8%

### THE LOSERS

Top five, by percentage

Company	Current Close	Beg. of Month	Point Change	%Change
Simplicity Bancorp, Inc.	14.10	15.43	-1.33	-8.6%
CVB Financial Corp.	9.94	10.82	-0.88	-8.1%
American States Water Company (H)	43.29	44.02	-0.73	-1.7%
Physicians Formula Holdings Inc.	4.82	4.89	-0.07	-1.4%
Watson Pharmaceuticals, Inc. (H)	85.26	85.95	-0.69	-0.8%

	Ticker	11/21/12 Close Price	10/31/12 Open Price	% Chg. Month	52 Week High	52 Week Low	Current P/E Ratio	Exchange
American States Water Company (H)	AWR	43.29	44.02	-1.7	45.79	33.56	16.3	NYSE
CVB Financial Corp.	CVBF	9.94	10.82	-8.1	12.95	9.02	13.6	NASDAQGS
EMRISE Corporation (L)	EMRI	0.40	0.52	-23.1	0.76	0.26	NM	OTCPK
Monster Beverage Corporation (L)	MNST	45.74	44.65	2.4	83.96	39.99	25.1	NASDAQGS
Hot Topic Inc.	HOTT	9.66	8.48	13.9	10.73	6.44	25.4	NASDAQGS
Simplicity Bancorp, Inc.	SMPL	14.10	15.43	-8.6	15.74	11.76	18.9	NASDAQGS
Outdoor Channel Holdings, Inc.	OUTD	7.45	7.26	2.6	7.99	5.80	93.3	NASDAQGS
Physicians Formula Holdings Inc.	FACE	4.82	4.89	-1.4	5.14	2.76	32.4	NASDAQGS
Provident Financial Holdings Inc. (H)	PROV	15.65	14.77	6.0	16.02	9.05	10.1	NASDAQGS
Watson Pharmaceuticals, Inc. (H)	WPI	85.26	85.95	-0.8	90.00	55.00	66.3	NYSE

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Saturday, 9 am–5 pm



Notes: (H) - Stock hit fifty two week high during the month, (L) - Stock hit fifty two week low during the month, NM - Not Meaningful

#### Five Most Active Stocks

Monster Beverage Corporation	42,765,360
Hot Topic Inc.	12,243,470
Watson Pharmaceuticals, Inc.	12,143,900
CVB Financial Corp.	7,138,350
American States Water Company	1,414,860

D&P/IEBJ Total Volume Month 78,700,530

#### Monthly Summary 11/21/12

Advances	4
Declines	6
Unchanged	0
New Highs	3
New Lows	2

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ASSET PROTECTION IN BUSINESS

E-Commerce Businesses Stand to Lose More Without Asset Protection

By Hillel Presser

What differentiates commerce businesses from traditional businesses when it comes to asset protection?

Potentially more assets in need of protecting.

Both types of business owners have assets such as homes, cars and bank accounts that need protection in the event of a lawsuit – whether it’s a personal suit or one targeting the business. E-commerce businesses may need more financial protection to cover their wealth of intangible assets, including domain names, website content, intellectual property, trademarks and patents. Additionally, an e-commerce business may prove to be more of a lawsuit liability because it’s vulnerable not only in the state where the storefront or warehouse is located, but essentially everywhere substantial connections are made, including internationally. In that sense, the need to create, maintain and regularly update an asset protection plan becomes more urgent.

To legally shield wealth from lawsuits and other potential threats, including divorce, business owners of all types should have an asset protection plan. This multi-layered strategy involves a range of techniques to title assets such as homes, savings and property (tangible and intangible) in the event that a claim is brought against the business or owner. It’s not a guarantee that the protected person will avoid lawsuits or other financial calamities, but it can guarantee they’ll lose fewer assets if the worst does happen.

I advise clients to work with an attorney to create a plan that’s the best fit for their specific financial situation. Clients should: 1) educate themselves, 2) inventory their wealth, 3) assess their liabilities, 4) decide the best asset protection tactic or strategy to use with each asset inventoried, and 5) execute the plan.

• **Educate yourself.** Clients should understand what’s going on when their attorney is creating their plan, how it relates to their life, and what changes will trigger the need for an update. They should learn what they can and can’t transfer as well as who they should and shouldn’t transfer assets to, even temporarily. For instance, if they “gift” a home to their children shortly after or in proximity to a civil claim filed against them, in the event of a judgment that gift may be looked upon as a fraudulent transfer. It could be reversed, making their home susceptible to the creditor judgment. Education is key to maintaining long-term asset protection. The Presser Law Firm, P.A. offers complimentary books on asset protection and an asset protection worksheet at [www.AssetProtectionAttorneys.com](http://www.AssetProtectionAttorneys.com); submit a request in the contact form.

• **Inventory your wealth.** They should include both tangible and intangible financial recourses. Tangible assets include but are not limited to: their home, real estate, bank accounts, vehicles, boats, etc. Intangible assets include but are not limited to: patents, copyrights, franchises, goodwill, trademarks, domain names and trade names, etc.

• **Assess your liabilities, present and future.** Some present liabilities could include current creditors (whether or not they have claims against the client), personal guarantees on home or business loans, and the client’s marital status as well as longevity of your marriage. Future liabilities include unexpected potential financial risks. A failing business in an economy downturn is a good example. Surely many businesses didn’t contemplate their demise in the financial and economic crash of 2008. Those

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# Business Helping Families

## Annual Holiday Food & Toy Drive

### Open House and Business Connections BBQ

In cooperation with Montclair Human Services Division

Bring your toys, food and/or monetary donations to the Chamber Office and enjoy a casual lunch.

All donations will directly benefit Montclair Families. Monetary donations provide for perishable food purchases.

**Thursday, December 6, 2012**  
**Montclair Chamber of Commerce**  
**5220 Benito Street**  
**12 noon - 1:30 p.m.**

Hosted by Your  
Montclair Chamber of Commerce Ambassador Corp  
For information please call 909/624-4569

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THE WEB AND DESIGN

Duct Tape My Software and Hope for the Best?

By Joe Thomas

The clients are different, but the question is always basically the same. Can you redesign my website?

It doesn't matter how the question is phrased, every time it's asked, I give the same response:

There is no such thing as a Re Design. It's true; a redesign of a website is simply a repackaging. It's taking the same content and putting it in a new dress. Or taking the same software or function and adding some make-up. Now seriously, why would you want to do that?

There can only be a handful of reasons to even entertain the thought of it:

1. The current site doesn't work. It's broken, kaput!
2. The current site is no longer effectively selling your product or service.
3. It's outdated and ugly.
4. You just woke up and decided to change everything for the sake of changing things.
5. Somebody told you it was a good idea.

Here's a breakdown of those reasons, and whether or not a redesign is the solution.

**1. If the current site is broken:** Well if it's broke, you've got to fix it. And if it needs to be fixed, why use duct tape and glue? Building it correctly from the ground up is a smarter use of your money, and will most likely cost you the same thing—or less. And you can build it with the latest technology, optimized for search, easier updating and better functionality

**2. If the site is no longer effectively selling your product or service:** Why repackage something that doesn't sell? A good developer will tell you why it's not selling—he just needs to look at the data. Let him show you why it's a lame duck, then have him give you the alternatives.

**3. If it's outdated and ugly:** Well this is pretty self-explanatory but I will say this: I've seen a lot of "ugly" sites sell a lot of product; don't base your decision on ugly—that's a matter of opinion. I've told many people with ugly sites NOT to touch them. Hey, if they sell, who cares what they look like, right? Outdated is a different story. You can't compete with today's sites using outdated technology. Just ask MySpace

**4. If you just woke up and decided to change everything:** Go shoe shopping. Buy a new hat. But realize when you call a web developer, you're not going to be happy with anything he does. You'll be wasting your money and driving some poor developer nutso for nothing.

**5. If somebody told you to redesign your website:** Odds are, that person is a web designer—NOT a web developer, and trust me, there is a huge difference between the two. A web designer is going to give you exactly what you ask for—the colors, the content, the buttons, the pictures—the exact website you tell him to build. A web developer is going to tell you honestly if and why you're wrong about all of those things. A developer is going to tell you that your bio is great, but it doesn't sell you. Or that your photos make you look like an alien life form. A developer is going to tell you how and why to build it this way. And let's be honest—if you knew the exact site you needed to have with the colors, content, buttons and pictures, you wouldn't need to hire someone

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OPINION

Listening for Silent Voices: Five Reasons Why the Nation's Leaders Aren't Speaking Up About a Key Safety and Economic Issue—the Nation's Crumbling Infrastructure

*Election season chatter has focused mainly on issues like the economy, jobs, taxes, and the national deficit.*

*But while these issues get a lot of attention from candidates, other important issues go ignored. One of those issues, says Barry LePatner, is the nation's crumbling infrastructure. He explains why the nation's leaders continue to ignore an issue that could have a huge economic and safety impact.*

Throughout the presidential campaign cycle, several topics have been discussed ad nauseam. In debates, interviews, campaign ads, and stump speeches, the economy, taxes, job creation, national security, and the national deficit have gotten a lot of attention. But, notes Barry LePatner, there is at least one very important issue that has gotten little, if any, airtime, and that's what's to be done about the nation's crumbling and increasingly unsafe infrastructure.

"It has become clearer than ever before that unless there is a catastrophic failure of another piece of infrastructure, there is little likelihood our imperiled roads and bridges will receive the attention they deserve," says Barry LePatner, creator of [www.SaveOurBridges.com](http://www.SaveOurBridges.com) and author of "Too Big to Fall: America's Failing Infrastructure and the Way Forward." "The presidential candidates have all but ignored infrastructure, and I fear their lack of concern is representative of our nation's leaders as a whole. And without a political push, there is little hope that the federal funding needed to correct decades of neglect will be provided."

The reality, LePatner argues, is that as talk of the economy, jobs, and national security fill the airwaves, repairing the nation's infrastructure should be part of those conversations because it can have a substantial effect in all of those areas.

"There are 4,000 dams that are in danger of bursting and flooding cities and towns," points out LePatner. "Our clean water pipes leak what has been estimated to be as high as 10 billion gallons of water a day. Our congested roads cause over \$87 billion in wasted gas and loss to our economy. There are 7,980 bridges relied on to keep commerce going that are in danger of collapsing just as the I-35W Bridge did in Minneapolis in August 2007. These certainly sound like economic and national security problems to me, and finding ways to fix them would put people back to work."

LePatner has long been fighting to bring attention to this issue. In fact, most recently, he created [www.SaveOurBridges.com](http://www.SaveOurBridges.com), a site educating the public on the dangerous bridges in their communities.

"We can no longer treat our infrastructure as a second- or third-tier priority when it comes to funding," says LePatner. "Our roads and bridges make commerce possible. Shut down even just a few of these key points of economic circulation and it's the equivalent of a heart attack. You're closing down an economy that's already weak. Those in power must remember that the risks we face are not limited to the dangers they cause to the traveling public. They include jeopardizing our country's entire com-

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# Innovators Recognized at 10th Annual Spirit of the Entrepreneur Awards

Also, a review of the second page of the Market Condition Report would reveal that only 77 REO properties were listed for sale at the end of September, which is less than the 209 units available at the end of March. There were only 97 “short sale” units available in September compared to 230 in March of 2012. On the other hand in the latest report there were 469

*continued on page 12*

Additional winners were Kathy Walsh of Business Waste Management LLC for Consulting Entrepreneur, Terry Oelrich of Reverse Control Inc. of San Bernardino and Josiah Bruny of Music Changing Lives in Redlands tied for the Social Entrepreneur award; and Grey Frandsen of HG.

EJ

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MCR

MARKET CONDITION REPORT  
PROVIDED BY ESCROW JUNCTION

EJ

Escrow Junction  
"There is a Difference"

DISTRIBUTION: SEPTEMBER 2012  
 EVALUATION: JULY-AUGUST 2012

SEPTEMBER 2012  
 VICTOR VALLEY AREA

VICTOR VALLEY SFR MARKET HISTORY											
PRICE INDICATORS			(DEMAND) CLOSINGS				TREND OF MEDIAN PRICE (13 MONTHS)				
DATE	MEDIAN CLOSE PRICE	CHANGE	REO	SHORT SALE	STANDARD	TOTAL CLOSINGS EVALUATED	PERCENT SELLING				
Aug-11	\$112,000		290	46	169	505	60%				
Sep-11	\$107,000	-\$5,000	279	55	159	493	66%				
Oct-11	\$109,000	\$2,000	242	52	163	457	69%				
Nov-11	\$110,000	\$1,000	241	66	141	448	66%				
Dec-11	\$110,000	\$0	265	87	149	501	72%				
Jan-12	\$110,000	\$0	223	70	117	410	66%				
Feb-12	\$112,000	\$2,000	214	55	135	404	63%				
Mar-12	\$110,000	-\$2,000	238	56	157	451	73%				
Apr-12	\$111,500	\$1,500	201	70	167	438	71%				
May-12	\$113,750	\$2,250	208	82	204	494	59%				
Jun-12	\$115,000	\$1,250	194	83	179	456	70%				
Jul-12	\$120,000	\$5,000	169	78	192	439	73%				
Aug-12	\$121,000	\$1,000	144	95	235	474	74%				
TREND	+\$864	+\$372	-10.1	2.9	4.9	-2.2	+\$0				
MEDIAN PRICE IS INCREASING AT AN AVERAGE RATE OF \$864 PER MONTH											

Month	Median Price
Aug-11	\$112,000
Sep-11	\$107,000
Oct-11	\$109,000
Nov-11	\$110,000
Dec-11	\$110,000
Jan-12	\$112,000
Feb-12	\$110,000
Mar-12	\$111,500
Apr-12	\$113,750
May-12	\$115,000
Jun-12	\$115,000
Jul-12	\$120,000
Aug-12	\$121,000

SINGLE FAMILY RESIDENCE (ALL)											
AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	PERCENT SELLING	DOM (CLOSED)	IN ESCROW	WEEKS SUPPLY GIVEN DEMAND	RATIO OF SUPPLY TO DEMAND	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	49	32	8	80%	57	74	17	1.6	\$110	\$95	\$95
Apple Valley	193	109	41	73%	65	188	15	1.8	\$180	\$131	\$125
Helendale	45	13	12	52%	98	25	24	3.6	\$160	\$132	\$135
Hesperia	80	87	22	80%	50	196	14	0.9	\$129	\$121	\$116
Lucerne Valley	29	10	3	76%	118	14	20	3.1	\$80	\$62	\$43
Oak Hills	28	8	4	67%	78	23	28	3.5	\$337	\$189	\$222
Phelan	21	23	4	85%	47	30	10	0.9	\$150	\$99	\$130
Pinon Hills	16	7	4	65%	52	12	19	2.5	\$170	\$137	\$152
Spring Valley Lake	33	17	6	73%	78	32	17	2.0	\$330	\$170	\$165
Victorville	108	137	26	84%	49	273	12	0.8	\$125	\$121	\$120
Wrightwood	39	12	6	68%	66	23	23	3.4	\$230	\$180	\$140
TOTALS	641	451	133	77%	58	890	15	1.4	\$149	\$125	\$121

Observe from the history table that median price is now increasing at the rate of \$864 per month for the past 13 months. The rate of positive change in price is increasing meaning the increase in price is speeding up, slowly. Expect this trend to continue and accelerate so long as supply remains constricted and demand maintains the current pace or increases. The REO market is nearly exhausted while Short Sale and Standard markets are very tight and getting tighter. Expect rising prices to stimulate new supply, but slowly due to the slow transfer of information to

**The Ratio of Supply to Demand** measures the number of units of supply relative to the number of closings per month (demand). All other things being equal, the smaller this number, the tighter the area market. Green formatting signals relatively tight markets in the area segment. **Weeks Supply Given Demand** is the "Absorption Rate," which returns the number of weeks required to exhaust current supply given current demand.

Information believed accurate but not guaranteed. Resale market only. All outcomes based on sample data.



A Shortage Of...

continued from pg. 11

purchase a home. The demand for single family homes continues to be artificially inflated, because of the policies of the federal government. Interest rates are extremely low and down payments are usually substantially below 20% of the purchase price for owner occupants. Individuals are purchasing homes in the High Desert with as little as 3% down. On the other hand the underwriting criteria and documentation requirements are far more rigorous and extensive than normal; and the requirements for home appraisals tend to place a downward pressure on home prices. The past appraisals could only include REO sales comps which are lower than standard sales comps. The effect of all this is to make home prices in the High Desert the most affordable in Southern California.

The requirement to use REO sales when doing an appraisal has been recently waived, which will make it easier for home prices to increase. This will be the case, not only for the High Desert but for all of Southern California. The second page of the Market Condition Report depicts the median close price for the 11 residential submarkets in the Victor Valley Area. In September of this year the median close price for the REO sales in the area was \$108,000. This compares to a median close price of \$116,000 for short sales and \$130,000 for standard sales.

Home prices are expected to continue trending upward if the U.S. and California economies continue to expand, creating jobs that could support population growth and substantial household formations in both the High Desert and the Inland Empire. The good news is that the population of the High Desert increased since the U.S. Census and is currently slightly higher than it was at the beginning of 2009, before there was an out migration caused by the last recession. Recent population trends are discussed in another article on population in the Bradco High Desert Report.

VICTOR VALLEY BANK OWNED (REO) SEPTEMBER 2012											
AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	PERCENT SELLING	DOM (CLOSED)	IN ESCROW	WEEKS SUPPLY GIVEN DEMAND	RATIO OF SUPPLY TO DEMAND	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	7	12	1	96%	36	17	9	0.6	\$85	\$88	\$89
Apple Valley	24	34	3	92%	38	33	7	0.7	\$123	\$123	\$89
Helendale	5	6	2	79%	78	10	12	0.9	\$104	\$128	\$115
Hesperia	8	32	3	93%	40	48	8	0.3	\$102	\$116	\$101
Lucerne Valley	2	4	1	89%	60	4	7	0.5	\$71	\$64	\$39
Oak Hills	2	2	1	80%	33	4	13	1.0	\$637	\$224	\$205
Phelan	3	9	1	94%	37	2	3	0.4	\$100	\$92	\$143
Pinon Hills	1	3	0	100%	82	6	10	0.3	\$65	\$137	\$170
Spring Valley Lake	3	4	1	88%	39	2	6	0.9	\$200	\$0	\$125
Victorville	20	47	2	97%	30	62	8	0.4	\$117	\$0	\$118
Wrightwood	2	2	0	100%	67	4	17	1.3	\$175	\$110	\$135
TOTALS	77	153	11	93%	39	192	8	.50	\$115	\$115	\$108
SHORT SALE											
AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	PERCENT SELLING	DOM (CLOSED)	IN ESCROW	WEEKS SUPPLY GIVEN DEMAND	RATIO OF SUPPLY TO DEMAND	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	12	6	5	55%	168	24	28	2.2	\$99	\$90	\$78
Apple Valley	31	21	15	58%	142	31	13	1.5	\$125	\$125	\$140
Helendale	7	3	4	42%	223	2	16	2.8	\$152	\$152	\$145
Hesperia	13	16	11	60%	121	53	18	0.8	\$115	\$120	\$117
Lucerne Valley	2	2	0	100%	203	4	13	1.0	\$87	\$62	\$95
Oak Hills	1	4	2	64%	110	4	6	0.3	\$171	\$158	\$209
Phelan	3	4	2	70%	130	8	14	0.9	\$80	\$85	\$105
Pinon Hills	2	1	1	33%	109	1	26	4.0	\$72	\$70	\$59
Spring Valley Lake	3	3	1	83%	215	5	14	1.2	\$196	\$125	\$117
Victorville	19	27	12	69%	132	86	17	0.7	\$105	\$111	\$115
Wrightwood	4	2	1	75%	203	3	20	2.7	\$203	\$160	\$215
TOTALS	97	85	51	62%	142	221	16	1.1	\$120	\$115	\$116
STANDARD SALE											
AREA	ON MARKET (SUPPLY)	CLOSED MONTH (DEMAND)	FAIL MONTH	PERCENT SELLING	DOM (CLOSED)	IN ESCROW	WEEKS SUPPLY GIVEN DEMAND	RATIO OF SUPPLY TO DEMAND	MEDIAN ASK PRICE	MEDIAN IN ESCROW PRICE	MEDIAN CLOSE PRICE
Adelanto	31	15	3	83%	31	33	19	2.1	\$119	\$110	\$102
Apple Valley	138	54	23	71%	52	124	21	2.6	\$200	\$134	\$137
Helendale	33	5	7	41%	52	13	44	7.3	\$165	\$140	\$160
Hesperia	59	40	9	81%	29	95	17	1.5	\$135	\$125	\$128
Lucerne Valley	25	4	3	58%	135	6	38	7.1	\$80	\$62	\$43
Oak Hills	25	3	2	63%	68	15	69	10.0	\$350	\$230	\$287
Phelan	15	11	2	84%	26	20	14	1.4	\$210	\$120	\$131
Pinon Hills	14	3	3	55%	13	5	27	4.7	\$188	\$171	\$140
Spring Valley Lake	27	11	5	68%	58	25	21	2.6	\$369	\$172	\$170
Victorville	69	63	12	84%	27	127	13	1.1	\$130	\$135	\$125
Wrightwood	33	9	5	63%	42	16	25	3.9	\$239	\$238	\$143
TOTALS	469	214	72	75%	39	479	19	2.2	\$166	\$135	\$130

Information believed accurate but not guaranteed. Resale market only. All outcomes based on sample data.

FINANCIAL COLUMN

Budgetary “Groundhog Day”

By William J “Bill” Cortus, FIC, Financial Consultant, Thrivent Financial and Russ Swansen, Thrivent Investment Management Chief Investment Officer

Reflecting on the election and its implications for the federal budget, I am reminded of the movie “Groundhog Day” in which Bill Murray wakes up on the same day over and over again until he finally gets it right. The big difference? Our budget problems aren’t funny. Still, like Murray’s character, we find ourselves in practically the same situation we’ve been in for some time, facing the same political divisions and the same budget challenges. In fact, we’re not just where we were right before the election, we’re where we were a year or two ago. Hopefully, in 2013, Washington will get it fixed.

Not that failure to fix it has been all bad, at least for the financial markets. Over the past three years we’ve watched Washington fail to fully consider the Simpson/Bowles and other deficit-reduction plans, struggle through the debt-ceiling crisis of 2011 and continue contentious tax and spending debates during the election of 2012. During that time, the S&P 500 stock index rose almost 23%, albeit with a lot of volatility. The debt-ceiling standoff alone set the market back nearly 18%, in addition to prompting the first-ever downgrade of the country’s credit rating.

Our budget and economic woes haven’t disappeared, though. The biggest immediate concern is the so-called “fiscal cliff” – the package of hefty automatic spending cuts and tax increases scheduled to take effect beginning on Jan. 1, 2013. Uncertainty over whether Washington will allow us to go over the cliff or craft some alternative policy has made it difficult for businesses to have the confidence they need to fully invest.

The term “fiscal cliff” itself is a bit misleading. As I have previously noted, it would be more accurately described as a fiscal slope, since its impact will not hit us all at once. Nonetheless, it is the crisis of the moment, and everyone is wondering whether Washington will arrive at some grand bargain to resolve it, and our policy uncertainty, before the end of the year.

I doubt it. To me, a “grand” bargain means comprehensive tax and entitlement reform that puts our nation’s debt-to-GDP ratio on a downward trend. (GDP, or gross domestic product, represents the sum total of our nation’s output of goods and services.) Reform of the magnitude envisioned by a grand bargain would almost certainly take months to negotiate, so it is inconceivable to me that one will be struck by year-end.

I think a petite bargain may be possible, something that defers the start date for the spending and tax cuts for a period of months to allow time for real negotiation and reform. However, I put the odds of that happening during Congress’ lame duck session fairly low, too – perhaps at 50%. So what happens if we reach the end of the year without a petite or grand bargain? Not much, really, although the financial markets may not see it that way. On spending, President Obama has some latitude as to when to actually begin the spending cuts. In effect, he can stall. On the tax front, any changes enacted mid-year can be made retroactive to the beginning of the year, as has been done many times in the past.

There are Deadlines, and There are Deadlines

Deadlines are important, and

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# High Desert Report - A Quarterly Economic Overview Barstow City Update

*By Oliver Chi, Assistant City Manager*

There is no doubt that the economic downturn has impacted the city of Barstow. Even today, the signs of economic distress can be seen throughout the community as Barstow still has an unemployment rate of 14.7%. Unequivocally, there is still much work that needs to be done.

However, in the midst of the Great Recession, the city has during the past few years taken proactive steps to position the community as the next big thing in the Inland Empire's High Desert region.

The process began by focusing on improving the physical appearance of the community. An aggressive \$21 million capital improvement campaign centered on the enhancement of city infrastructure has been initiated. Furthermore, the city implemented a new economic development approach by employing sophisticated research tools to assist with business attraction and retention efforts.

It is also important to note that signs of an economic turnaround can be found when looking at demographic data in Barstow. From a statistical perspective, one measure that illustrates how a community's economic health is trending can be seen through tracking the area's median income levels. In the 2000 census, the Barstow area had a median income level of \$35,069. As of the 2010 census, the median income levels for the Barstow area had increased around 37% to \$48,042. This data means that the quality of the jobs in the Barstow area is improving and points to a positive trend for the local economy.

In addition to the statistical data, the city has been working on several important economic development projects that have the potential to dramatically improve the overall quality of life in Barstow.

Current significant projects that are underway in the community include the following:

## Barstow Casino & Resort Project

The Barstow Casino & Resort Project, which is being pursued as a partnership project between the Los Coyotes Band of Cahuilla & Cupeno Indians and Bar West Gaming, is still a viable initiative that is in the review process. In order for the initiative to move forward, both the Federal Government and the State of California will have to agree to allow the project to be constructed. Currently, the Federal Government's Department of the Interior is evaluating the proposed Barstow Casino & Resort project and it is anticipated that a final ruling will be issued before the end of 2012.

If the Department of the Interior approves the project as meeting federal guidelines, the next step in the process would be negotiating a gaming compact with the Office of California Governor Jerry Brown. That agreement would also have to be approved by the California State Legislature. To assist with these efforts, the city recently engaged the services of the lobbying firm Joe Gonsalves & Son to assist with developing a comprehensive strategy aimed at gaining state approval for the project. If all the approvals are obtained, the overall casino project could be constructed in 2013 or 2014.

## Barstow Community Hospital Project

During the past several years, the city has been coordinating with Community Health Systems, Inc., on building a brand new state-of-the-art medical facility in town.

*continued on page 15*



## VICTORVILLE MULTIFAMILY PROPERTY SELLS FOR NEAR \$14 MILLION

In a recent high desert apartment sale from the city of Victorville, High Desert Villas, a 232-unit 55-plus seniors housing community, sold for \$13.75 million, or about \$59.3k/unit.

The 55-plus community is located at 16850 Jasmine Street, near Desert Valley Hospital. Victor Valley is situated on the southwestern edge of the Mojave Desert approximately 37 miles east of San Bernardino.

High Desert Villas was constructed in 1989 on 10 acres. The one- and two-story, 118.6k-square-foot Southwestern-style property features 196 one-bedroom units and 36 two-bedroom apartments, 80 percent of which are first-floor units. The pet-friendly community's amenities include a beauty salon/barbershop, recreation room, fully stocked library, game room, arts and crafts room, swimming pool and fitness center.

Alexander Garcia, a senior vice president in Marcus & Millichap's Ontario office, represented the seller, the property's original developer. Garcia also represented the buyer.

"High Desert Villas is a one-of-a-kind property," says Garcia. "Its high occupancy is due in part to the attention to detail paid during construction and the high quality of the amenities and senior-oriented services. The previous owner tightly managed the property with an eye to both expense control and value preservation," adds Garcia.

## CARDENAS MARKETS LEASES 263K SQUARE FEET ONTARIO SPACE

Cardenas Markets agreed to a new 10-year lease for 263k square feet of industrial space in the city of Ontario. Cardenas, a family-owned supermarket business, is one of the largest privately owned companies in the Inland Empire. Their new lease is for the majority of a 420k-square-foot multi-tenant industrial building located at 2501 East Guasti Road, west of Archibald Avenue and just north of Airport Drive and Ontario International Airport.

Cardenas Markets is expanding its headquarters and distribution operations with this new lease, moving from a 126k-square-foot property, also in Ontario. The new facility serves multiple uses, comprising abundant executive office space and parking for corporate use, distribution facilities, room for the installation of refrigerated warehouse storage, and plenty of truck and trailer parking.

Steve Glusker of Pacific Properties Group repped Cardenas Markets in the transaction. Joe Miller of Voit Real Estate Services worked with Ruben Goodsell, Peter McWilliams and Michael McCrary of Jones Lang LaSalle to represent the lessor, MK Associates LTD. Mike Leifer of Palmieri, Tyler, Wiener, Wilhelm & Wadron assisted in dealing with the land use issues.

"This transaction required a great deal of persistence, as it was necessary to effect a zoning amendment on the property to accommodate Cardenas Markets' use," explained Miller. With more than 28 locations throughout Southern California and Nevada, Cardenas Markets specializes in providing customers with specialty products and flavors from Latin America.

## PALM DESERT RETAIL CENTER SELLS FOR OVER \$300 SQUARE FEET

Desert Gateway, a 17.7k-square-foot retail property in Palm Desert, sold for \$5.375 million (\$304/sf). Located at 34380 Monterey Avenue, Desert Gateway

*continued on page 27*



## Listening for...

*continued from pg. 10*

mercial sector as well as our national security network.”

Read on for LePatner’s thoughts on why this essential issue continues to be ignored by the nation’s leaders and policymakers:

**No political will.** There is no Occupy Wall Street movement calling attention to the fact that politicians are blithely ignoring this national tragedy-in-waiting. One reason the issue doesn’t get much traction is that it’s overwhelming for citizens and policymakers. Many politicians simply don’t know where to start. Then they look at what has happened to leaders who have taken a leap of faith on solving big problems—for example, President Obama and his actions on reforming healthcare—and see the political backlash that comes with those actions.

“We need a bold leader to take action on repairing infrastructure despite its overwhelming scope and cost,” says LePatner. “Currently, no political leader in office has spoken up. That’s probably because there is very little money being made available to even start on the first repair. But to be blunt, no money is likely to become available in an atmosphere that has politicians signing vows not to raise taxes and ignoring proposals to provide stimulus money to restore jobs to the two million construction workers who would be needed to attend to these ailing facilities. We need a leader brave enough to take the all-important first step.”

**Politicians go where the money is.** Our politicians have, in the words of Thomas L. Friedman of the *New York Times*, become inhibitors, not enablers. They are ensconced in a system that makes them totally beholden to the lobbyist funding they must have in order to fund their reelection campaigns.

“It’s simply not true that there is no money for infrastructure investment,” says LePatner. “The truth is, states aren’t required to spend the federal funds they’re given on bridge repairs. They can, and do, allocate half of that money to other projects. Over the years, politicians have used these funds to build new projects that lead to ribbon-cutting ceremonies, publicity, and votes. Repairing infrastructure just isn’t sexy enough. Repair projects won’t get the attention of big donors, so politicians spend money on projects that will.”

**Partisan bickering.** Our politicians brook no interference by the rest of the nation when it comes to what they do in Washington and how they frame the national agenda.

“Throughout the election, we have been held in a political chokehold of two philosophies that are sure to guarantee gridlock for years to come, no matter who is elected,” notes LePatner. “It is a power play of the most enormous proportions and consequences. There is no give and take by either side: The GOP adamantly resists any attempt to increase taxes even on those who have been making over \$1 million a year and who are paying the lowest tax rate in decades. The Democrats have totally failed to make a persuasive argument that cutting social benefits, raising taxes on the rich, and paying for needed stimulus for high-speed rail networks and other infrastructure improvements will not lead our economy into further ruin.”

**“Job creation” = political buzzwords, not action.** Not just the presidential candidates but many candidates in Congressional races and state and local races utter these words every chance they get. No matter what side of the aisle a candidate is from, he or she won’t hesitate to tell you how they’re all about job creation. But by ignoring our nation’s infrastructure, they’re all leaving an amazing opportunity to put people back to work on the table.

“Consider this: Estimates from studies show that every \$1 billion of infrastructure investment creates 10,000 to 31,000 jobs,” says LePatner. “Therefore, if we estimate that the top 2,000 of these bridges can be fixed for an average of \$20 million, then with an investment of \$40 billion we can

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*Barstow City...*

*continued from pg. 13*

Those efforts have culminated with the opening of the new Barstow Community Hospital. The ultra-modern three-story, 82,500-square-foot facility features 30 private rooms, a high-tech emergency room, a modern intensive care center, a technologically advanced diagnostic imaging department, and innovative laboratories and surgical rooms. All told, building the updated facility required around 3,283 cubic yards of concrete, over 65 tons of concrete reinforced rebar, 476 tons of structural steel, and over 120,000 square feet of fireproofing material. When the new hospital is complete, the overall project will have constituted an estimated investment of around \$80 million in the Barstow community.

**Lenwood Grade Separation**

The city has been working diligently with the County of San Bernardino and SANBAG to coordinate the construction of the Lenwood Grade Separation project. A number of design enhancements have been coordinated during the past several months and the project team is currently working on finalizing the engineering work and right-of-way coordination for the new bridge. In total, the Lenwood Grade Separation will cost an estimated \$31.5 million and is on schedule to begin construction in 2013.

**Wal-Mart Supercenter Expansion**

During the past several months, the city has been engaged in an intensive review process with Wal-Mart representatives regarding the expansion of the current Wal-Mart store on Montara Road into a Supercenter format. Given the current project schedule, it is anticipated that the project will be considered for final approval in January 2013. The overall project includes building a new 184,000-square-foot Wal-Mart Supercenter along with an addition 55,000 square feet of new retail development.

**Barstow Industrial Park**

Another significant initiative that the city is coordinating is the revival of the Barstow Industrial Park project. In total, the Barstow Industrial Park spans over 1,174 acres and is located around 3 miles northwest of Interstate 15 and around 5 miles west of the Interstate 15 / Interstate 40 interchange. The city has been working very closely with the project developer and discussions are currently underway regarding infrastructure installation, utility coordination issues, and the construction of a rail-spur for additional site access. There are several potential end users that the city and the developer are working with now in a joint effort to ensure that the Barstow Industrial Park becomes the High Desert's premier logistics, manufacturing, and distribution hub.

**Wal-Mart Distribution Center**

The city has continued to stay in close contact with representatives from Wal-Mart regarding the proposed construction of a cold-storage distribution center located adjacent to the city's planned Industrial Park. In every conversation that the city has had with Wal-Mart, the message has remained consistent. Wal-Mart is still planning on constructing the distribution center in Barstow; however, the project is waiting for approval from the Wal-Mart Logistics Department. Given the recent number of Wal-Mart Supercenter conversions occurring in the high desert and throughout Southern California, in addition to the announcement that Wal-Mart will be testing a small-store format called Wal-Mart Express, it is likely that the distribution center in Barstow will be approved for construction in the near future.

**Redevelopment Dissolution Impacts Minimal for Barstow**

On Dec. 29, 2011, the California *continued on page 31*



As we enter this holiday season, I am reminded that we have so much to be thankful for and celebrate, as individuals, a community, a state, and a nation.

Here in our neighborhoods, I am hearing more and more about the good things happening in our community, even during these difficult economic times. About 98% of businesses in our state are small businesses, employing approximately 20 people.

This past year has presented some challenges for our state. Sacramento politicians are promoting their own agenda instead of focusing on getting people back to work and our economy back on track. Hundreds of new laws will go into effect on Jan. 1, 2013 that will affect our lives in every area from education, to public safety, to laws governing our businesses.

While many of us still share concerns about our future, our state can still have its brightest days ahead. We have some of the best seaports in the world for trade, connected to an amazing transportation system that moves goods throughout our state and to the rest of the nation. As one of the world's largest producers of agriculture, California yielded \$43.5 billion in 2011, and just over the hill in the Silicon Valley we are the home of the most innovative and world-transforming technology. And who can forget Hollywood? The world's capital of entertainment.

California is where the rest of the world longs to live, and each of us call this great state home.

In addition, we are citizens of one of the greatest nations in the world. This nation was founded on the involvement of its citizens, and based on the fact that each of us has a voice in our government. We have the right and the duty to hold our leaders accountable and fulfill the greatest experiment of all time – a nation “for the people and by the people.”

Let's work together to encourage our friends and neighbors to be more involved, and instead of politicians implementing their pet agendas, we as citizens would be deciding what is best for our neighborhoods, cities, and state. This year can change the way politics is played if each of us vigorously exercise our civic responsibility.

This Christmas, the families of our community face a variety of economic circumstances. In the midst of the country's troubled economy, most residents will enter the holiday season with an unusually tight household budget. Others will not have the resources to give to their loved ones as they have in the past. A few will, for the first time, celebrate Christmas during a stretch of painful unemployment.

For many, this year held tragedy and heartbreak. While joining together with family and friends to celebrate the season, please do not forget those who are struggling. Consider participating in one of the many local food or toy drives for those in our community.

No matter your circumstance, may this season remind you of the everlasting joy and contentment that can be found. Joanie and I would like to wish you a very Merry Christmas. God bless.



## NEW BUSINESS

### No Money, No Problem: Eleven Tips for a Start-up Business With Very Little Cash (and a Great Idea)

*Many entrepreneurs kick off their ventures on a budget so lean it's beyond shoestring; it's dental floss! That's especially true in an era where credit is almost impossible to come by. Michael Houlihan, one of the founders of Barefoot Wine, explains how to get the biggest possible bang out of very few start-up bucks.*

You have a new start-up and you couldn't be more excited. You know you've got a winning idea and you're certain customers will love it. There's just one problem, and it's a doozie: lack of funding. Yes, even in the best of times it can be hard for cash-strapped entrepreneurs to pay for what they need. But now, with a sluggish economy and tough restrictions on who can get credit, your frustration is threatening to overwhelm your passion. More and more you're starting to wonder, "Should I just cut my losses and throw in the towel now?"

Not so fast, says Michael Houlihan. While you do need some money to get started, you can seriously reduce the amount if you take advantage of some key bootstrapping strategies. It was the use of these very strategies that enabled him and his business partner, Bonnie Harvey, to found and grow Barefoot Cellars, the company that transformed the image of American wine from staid and unimaginative to fun, lighthearted, and hip.

"Trust me, I know what it's like to try to start a business when you're basically broke," says Houlihan, coauthor along with Harvey of "The Barefoot Spirit: How Hardship, Hustle, and Heart Built a Bestselling Wine" (coming in February 2013 from Evolve Publishing, [www.thebarefootspirit.com](http://www.thebarefootspirit.com)). "Bonnie and I were originally so strapped for cash that when we began making our wine in the mid-'80s, our administrative office was the laundry room of a rented farmhouse in Sonoma County, California. But despite our humble surroundings and shallow bank account, we were

determined to find a way to make our dream a reality."

Over the next two decades, Houlihan and Harvey learned how much they didn't know about wine—making it, bottling it, selling it, marketing it, and competing against other labels—and Barefoot Cellars came close to producing its last bottle many times during those years.

"Even if you're very familiar with your industry, you face an uphill battle when you start a company," reflects Houlihan. "But ultimately, being undercapitalized was a great thing for Barefoot. It forced us to think creatively and to be resourceful every step of the way. In order to survive, Bonnie and I had to develop processes and procedures that worked; that succeeded solely on their own merits—not because we were constantly throwing money at every problem that cropped up."

Barefoot Cellars turned out to be a big success and it was sold to E&J Gallo in 2005. Now, Houlihan is passionate about sharing with other entrepreneurs what he and Harvey learned the hard way.

Read on to learn about 11 cost-saving measures that helped Barefoot Wine survive and grow in its laundry room days, and that might just be life-savers for your start-up, too:

**Start in the garage.** Hey, this strategy has worked for many aspiring bands (at least until Mom cut the electricity and silenced the electric guitar), and it can help your start-up to survive, too. Unless your company needs to operate in a specific type of space, wait until you have gained more momentum to start writing rent checks.

Whether it's an attic, a garage, a spare bedroom, or even the kitchen table, go anywhere that won't make a dent in your bank account.

"As I said earlier, Barefoot's first office was a laundry room," reminds Houlihan. "It wasn't glamorous. It certainly didn't scream, 'The people who work here are a force to be reckoned with!' But it held our files and a desk—which, by the way, was an old door laid on top of a couple of old sawhorses. And most importantly, it allowed us to get the job done without spending any extra money."

**Get your family to help.** The same people who cheered for you at Little League games and came to your annual piano recitals when you were a kid haven't changed the way they feel about you. As long as you are humble and appreciative, you might find that they would like nothing more than to help your start-up succeed. So even if you have to swallow some pride in order to admit that you aren't Super Businessperson and can't do it all by yourself, ask family members to stuff envelopes, put together email lists, file paperwork, catalog inventory, and more.

"Retired grandmas, aunts, and uncles would love to make a difference in your life, and they'll probably be thrilled to do something new and help the family business get started," confirms Houlihan. "Remember, each relative who offers to help out takes the place of an employee you'd otherwise have to pay. And who knows, they may do a lot more for your start-up than just add manpower."

"Family members can also provide objective opinions and

commonsense insight," he adds. "In our case, Bonnie's mom came up with the term 'Barefoot Bubbly' for our champagne—and it was a huge hit."

**Assume someone else's excess inventory.** Who says you have to start from scratch when it comes to producing your product? If it's feasible in your industry and for your particular product, try to acquire another company's unsold merchandise. If you can repurpose it, improve it, or otherwise incorporate it into your product, you've just saved yourself time, effort, manpower, and money.

"At Barefoot, we bought bulk wine in tanks, juice from grapes before it was fermented, and grapes themselves," explains Houlihan. "We would do whatever was needed to make each batch into a wine that fit the Barefoot specifications. Sometimes, we would even contract with other wineries to make wine to our specs! Since we did not rely on owning and maintaining our own vineyards, we saved a ton of money, which is one reason that Barefoot became known as an affordable, yet quality, wine."

"If you go this route, just be sure that you never, ever compromise on quality when working with someone else's inventory," he adds.

**Outsource everything except quality.** Yes, you're passionate about your business, and it's natural for you to want to control and oversee every aspect of it from day one. But look at it this way: Until your financial balance sheet is more stable, what little money you have will be best spent on marketing your product so that you can make

*continued on page 29*

OPINION

Why I Despair  
By Charles C. W. Cooke

An apocryphal tale tells of an American who claimed to own George Washington’s axe. “Three times,” he exclaims, the axe has “had its handle replaced, and twice had its head replaced!”

This is a joke that has been rendered in more serious form by philosophers throughout the ages — perhaps most famously in Plutarch’s Life of Theseus — and it may be time now to consider it in relation to the United States. People and countries change, as they must. But, as with Washington’s axe, to change too much is to invite the possibility not merely of alteration, but of replacement. Predicated, as it is, on an established set of principles — rather than merely on geographical or racial fact — America could

presumably reach a point at which it could no longer usefully be called America. How close to that point are we?

I was born in England in 1984, two days before Ronald Reagan was elected to a second term. As a small child, I watched the Space Shuttle take off from Cape Canaveral in Florida. I had an Apollo 11 lunchbox. With varying levels of awareness, I saw the United States defeat Communism, come to Kuwait’s aid in 1991, and rise to hyper-power status. During the 1990s, I watched in awe as Silicon Valley revolutionized the world. Once, my father told me that the difference between the average Briton and the average American was that a Briton looks at a man driving a Ferrari and thinks, “What a b\*\*\*\*\*d,”

while an American thinks, “I’ll be him one day.” This my father considered a great virtue — as do I. By the time that I was 10 years old, I didn’t just think that America was the world’s great hope, I knew it.

On frequent visits across the pond, I saw little to disabuse me of these notions. America was just different: There was no crushing class system, and it had a genuine and unique scope for immigrants to integrate fully, and the virtue of living under the protection of the greatest constitution in the history of the world. There was opportunity, too. Christopher Hitchens, by no means short of talent, once wrote that he had been compelled to move to America because “life in Britain had seemed like one long antecham-

ber to a room that had too many barriers to entry.” Britain treated me well in a great many ways, but I understand what Hitchens meant: America is mercifully lacking in gatekeepers.

Inevitably, this translates into politics. British elections are mean-spirited and meretricious affairs that reveal what the country has become in its post-imperial form. In them, the focus flits between mercenary discussion of what the government is going to give the people and petty bickering over inconsequential details such as which schools the candidates went to and how much money they have. Few principles are at stake because classical liberalism is largely dead, so debates ultimately boil down to the question

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MANAGEMENT

Ways to Manage High and Low Performers

By Dr. Marty Martin

People who invest their money wisely spend more time focusing on the investments with the greatest chance of turning out to be winners. Do you do the same when managing the performance of your employees? If you are like most managers, sadly the answer is that you get caught up spending too much time with low performers who have a fair chance of being acceptable, but not stars. What would happen if you dedicated more time to your employees who are acceptable performers yet exhibit clear signs of being high performers? The answer is that many of these acceptable performers will move into the ranks of high performers.

So, as a manager, CEO or business owner, how do you identify the employees you should focus on, and how can you make the most of your lower performers?

Be Selective About Who to Focus Upon

The first lesson is to carefully select who will be important for you to invest time, energy, and other resources in to developing their performance. This decision is incredibly important; if you choose a low performer, then your likely payoff will not be as great as if you had selected a high performer. This may seem at odds with what you have learned in the past, or it may even seem to go against the grain of democracy or fighting for the underdogs. But, if your goal is to maximize performance, then this approach is more likely to yield greater results quickly.

As humans, we can only really improve 2-3 things at a single time, no matter what multi-taskers tell you. Deliberate practice on 2-3 things is what drives high impact gains in performance and productivi-

ty. Deliberate practice can be enhanced with explicit, targeted feedback from managers. It is far easier, more rewarding, and more effective to leverage strengths, rather than solely focusing upon weaknesses. The key is to find strength in one area and get the performer to use that strength in an area that requires improvement. Real, sustained improvement takes time. This requires patience on your part as a manager focusing upon the long term and not just the quick fix. The quicker the fix, the less sustainable the result.

Keep Hope Alive for All Performers

The second lesson is keep hope alive for all performers, even those who are chronically low. What does this mean? As a manager or CEO, you want to make investments, though not equal investments, in all performers. But, do not potentially waste too much time, energy and other resources in your employees who, at their very best, will only be an average or acceptable performer. This does not mean that they are not a good person, that they are not worthy of their salary or that they are a slacker. It may simply mean that they are comfortable in their current position and have no desire to become the company superstar, or that they are a bad fit for your organization. A manager that wants to improve performance should demonstrate what psychologists call “Unconditional Positive Regard.” This means that you accept where your staff begins their performance improvement journey. For some, they may begin behind, for others at the right place, and some are even ahead. Assess the starting place but do not judge. Then, you can identify the signature strengths

of all of your staff, even chronic low performers; it is unlikely that they are not doing well in all aspects of their job.

Watch out for the “Pygmalion Effect.” This means that your staff rises or falls to your expectations. In other words, if you have low expectations, then they will move to meet your low expectations. The opposite is also true; if you have high expectations, then your employees will move to meet your high expectations.

Focus on making progress toward a longer term goal, and reward that progress, even if it is only one baby step after another. By rewarding small steps to the larger performance goal, you will also feel less frustration because you know your efforts with the low performers are paying off.

Reassign or Fire Chronic

Low Performers

The third lesson is to cut your losses relatively early. Our country’s goal is to increase employment, but as a manager or CEO you also have a responsibility to your boss or stockholders, to your company, and your customers.

There are two ways to address chronic low performers. First, if after setting clear expectations, monitoring their performance, giving feedback about their performance, coaching them, and then letting them know about the consequences of underperforming, you see no improvement, you should let them go.

Second, if your company cannot afford to let any employees go in order to keep the operation running, you should reassign the chronic low performers. When you reassign an employ-

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MANAGEMENT

The Top 5 Pitfalls that Derail Corporate Decision-making

By Michael Menard

Despite the wealth of information available to us these days, many of today’s best and brightest business leaders still make poor decisions. This is unfortunate, because sound decision-making is at the heart of every company’s success.

Even if you have the best education and years of experience, it’s still possible—and common—to make poor decisions. Why? Today’s decision-makers are up against a long list of pitfalls and obstacles that prevent them from making sound decisions. Fortunately, once you know what you’re up against, you can take the proper steps to correct it. Here are the top five decision-making pitfalls that get in the way of organizational success.

1. “We need to change, only not today.” (Avoiding the decision)

Saint Augustine (b. 354 – d. 430) prayed, “Lord, make me chaste, but not yet.” It’s one thing to know about change and imagine future benefits, but we often avoid deciding to take action right now because change means some level of immediate discomfort. Realize, though, that no business or individual grows without change and risk. However, risk aversion is basic human nature. The paradox is that we want something different without having to change. This is like the teenager who wants her parents out of her life but first wants to be dropped off at the mall.

With the recent economic downturn, many companies are employing a bunker mentality. They’re staying put and not taking action. Instead of playing to win, they are playing not to lose. Without a realistic vision of what’s both possible and probable, organizations will continue to play it safe and delay making decisions. But this so-called safety is an illusion. Organizations must keep moving, employ their assets, and create value. That value comes from the decisions they make and the projects they implement.

Remember, any decision is a choice. Choosing not to choose is a choice.

2. “It’s such a simple decision.” (Oversimplification of the challenge)

Telephone numbers are seven digits long because most of us can only keep this much information in our short-term memory. We naturally chunk information into intelligible bites. Likewise, difficult and complex situations can overwhelm us, so we unconsciously and erroneously make them simpler. However, this natural tendency to simplify information can hinder decision-making.

Of course, let’s not confuse oversimplification with the highly valuable ability to reduce a problem to its essentials. After all, decision-making needs to be both effective and efficient. But we must distinguish between these two words. We can be efficient without being effective by doing the wrong task well.

No matter how well-intentioned we are, under pressure our desire for simple answers to complex questions increases dramatically. The red flags go up. When we imagine we don’t have time or resources to address a problem adequately, we start to look for a single explainable cause that fits into our existing framework. Paying too much attention to what we directly see in front of us is called the present bias. Oversimplification discounts contributing factors and exaggerates what already stands out for us.

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CDSA Inland Empire Caucus Honors Business Partners

The California Disability Services Association (CDSA) Inland Empire Caucus, held its annual event to recognize business and community partners. This event recognizes 10 non-profit and for profit businesses that do an extraordinary job of providing individualized training for the people they serve, including personal growth skills, vocational training, job placement and job coach services, job retention, community access and inclusion, communication and social skills, and independent living skills, just to name a few. The event, which was hosted by Assembly Member Norma Torres and Assembly Member Mike Morrell, was titled, “With you, we can!” The employers and other community partners attending the event have provided opportunities for employment and community access.

This has been so important in making many dreams come true for people with developmental disabilities; and for that, CDSA wanted to say thank you! Each organization had two honorees at the event. Pomona Valley Workshop (PVW) was very happy to recognize Foamtec International and Chino Hills Government Center for their partnerships with PVW. Foamtec is a partner with the work program. PVW’s disabled workforce packs thousands of sponges for them each year. Representing Foamtec and accepting the award on their behalf was Sara Trent.

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Many Thanks, Melissa A.



*Why I Despair...*

*continued from pg. 17*

of who is going to run the welfare system more efficiently. The candidates' arguments are full of nebulous, slippery words, such as "fairness" and "investment" — and the never-ending substitution of the word "community" for "government." You would never hear Kennedy's famous "Ask not what your country can do for you" line in a British political context because nobody would understand what he was talking about. Only in America. Anyone can make it there!

But, consider this: A president of the United States just ran a reelection campaign based on the promise of government largess, exploitation of class division, the demonization of success, the glorification of identity politics, and the presumption that women are a helpless interest group; and he did so while steadfastly refusing to acknowledge the looming — potentially fatal — crisis that the country faces. And it worked.

Worse, as David Harsanyi has observed, "the president's central case rests on the idea that individuals should view government as society's moral center, the engine of prosperity and the arbiter of fairness." This stunted and tawdry vision of American life was best summed up in his campaign's contemptible Life of Julia cartoon, which portrayed the American Dream as being impossible without heavy cradle-to-grave government, and in which the civic society that Tocqueville correctly saw as the hallmark of the republic was wholly ignored — if not disdained outright. "Government is the only thing we all belong to," declared a video at the opening of the Democratic National Convention. In another age, this contention would have been met with incredulity and confusion; in ours, it was cheered.

So, too, were the two central achievements of Obama's first term: the spending of an unprecedented amount of borrowed money on the president's political allies, and the turning of the health-care system over to the bureaucracy in a "reform" that, inter alia, stipulates that to be alive is to owe something to Washington. The latter move involves a claim on the people that no free government should ever make, and that no American government has ever made before. For these grave missteps, the president suffered an epic loss in Congress in 2010. The revolt looked promising, but then — for whatever reasons — he was reelected. Now, Obama has the chance to remake the Supreme Court and remake America's Constitution, too. Who doubts he will take it?

If we are to lose America as it has been, could we not ask that it be lost to something better than this? Our president, a Narcissus masquerading as a Demosthenes, makes big speeches packed full of little ideas, and he is applauded wildly for it. His, says Marco Rubio, "are tired and old big-government ideas. Ideas that people come to America to get away from. Ideas that threaten to make America more like the rest of the world, instead of helping the world become more like America." I will vouch for the verity of these words. I have watched how these sorry ideas play out in the real world, and it is not pretty: They make people's lives worse, and yet simultaneously convince them that any reform will kill them — a fatal combination. Americans should avoid this path sedulously, for that way lies decline.

Rubio is correct in another assessment. How small Barack Obama's politics are! How deficient and outmoded are his ideas; how limited his understanding of America's value; how dull his magniloquence. The president has an ample library of ideas from which to choose, and yet he raids the Old *continued on page 28*

**High Desert Report - A Quarterly Economic Overview  
Reviving California Is Going to Take a Revolution**

*By Assemblyman Tim Donnelly, 59th District ISU*

"You can send everyone else home; this is my job."

That is what a woman told an employer when interviewing for a job that received hundreds of applicants right here in San Bernardino County. When asked why she was so confident, the woman told her interviewer that she wanted it more than anyone else—that unless she found work that day, she and her young son would be living out of their car.

She isn't alone.

When I was walking door-to-door meeting constituents, one man stepped away from our conversation mid-sentence to take a phone call, then rushed out the door and took off in his car. His wife nearly broke out into tears explaining that he got a call offering a half-day's work. They had been living on a wing and a prayer, hoping against hope to keep their home, and every little job was a god-

send. I wish every elected official in this state could have stood with me on that porch. These are the people we represent. We were not sent there for the lobbyists and special interests who try to buy power.

People all over this state are doing everything they can to get back to work. I wish I could say the same for the legislature. Instead, the people who are supposed to represent us are doing everything they can to stay in the good graces of the green police and union bosses to keep their pet projects running. They have done so at the expense of our business climate, job market and overall economic health.

In the last week of session, the Assembly tried to pass 550 new bills in just five days. Most Californians don't think we need any new laws at all. Governor Brown just finished going through the mess of hundreds of bills the Legislature

sent him this year. Among them was a brand new tax on timber, which, of course, he signed. This means that the Sacramento majority and the Governor, both looking at double-digit unemployment and a state that is hemorrhaging businesses, decided that taxing the literal building block of the recovery was the answer.

I disagree.

I regularly have the pleasure of meeting business owners from across the state. Recently, a gentleman explained to me that because of California's heavy regulatory hand, he is unable to expand his business and hire more employees, although he would otherwise do so. In the midst of the greatest recession since the Great Depression, it is a devastating and offensive reality. It's offensive because it is 100% preventable. The vast majority of business owners in almost every

industry tell me that their number one problem is not the economy; it's government interference.

While other states are rolling out the red carpet for businesses to open or expand, California taxes materials, penalizes energy users (aka manufacturers) and punishes production. These backwards policies have chased business owners out of our state, with manufacturers leading the charge. It's as if the so-called leaders of our state don't want anything to be built in California! When they drive stable, high-wage jobs out of our region, they create a hole in the budget, which always disproportionately affects education, the largest state expense.

Instead of trying to attract new businesses or incentivize employers to hire people, California is literally extorting *continued on page 37*

*By Ronald J. Barbieri, Ph.D., CPA - The Bradco Companies*

ers in the regional market. They are typically small space users that occupy single or multi-tenant buildings of 50,000 SF or less. The average floor area of the small buildings is 10,200 SF.

As of June 30, 2012, the vacancy rate in the High Desert for buildings 50,000 SF or less was 5.4%, while for larger buildings it was 4.2%. The city of Barstow had the highest vacancy rate for buildings over 50,000 SF. It was 36.2%. The vacancy rate for the smaller buildings in Barstow was 6.8%. The non SCLA portion of Victorville had an 8.1% vacancy rate in the smaller buildings, but

*continued on page 31*

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**Mitch Butz**  
Assistant General Manager, High Desert Mavericks



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# High Desert Report - A Quarterly Economic Overview

## Real Estate Market Outlook

By Dr. Alfred J. Gobar Chairman, Alfred Gobar Associates

Over the past 50 years, increase in nonagricultural wage and salary employment as reported by public agencies has correlated closely with house-

Riverside, San Bernardino, and San Diego Counties) is illustrated in Exhibit A in comparison with a similar index based on the 1990 recession. As indicat-

in order to identify attractive real estate market opportunities. From August 2007 until August 2009 (about the bottom of the decline in nonagricultural wage

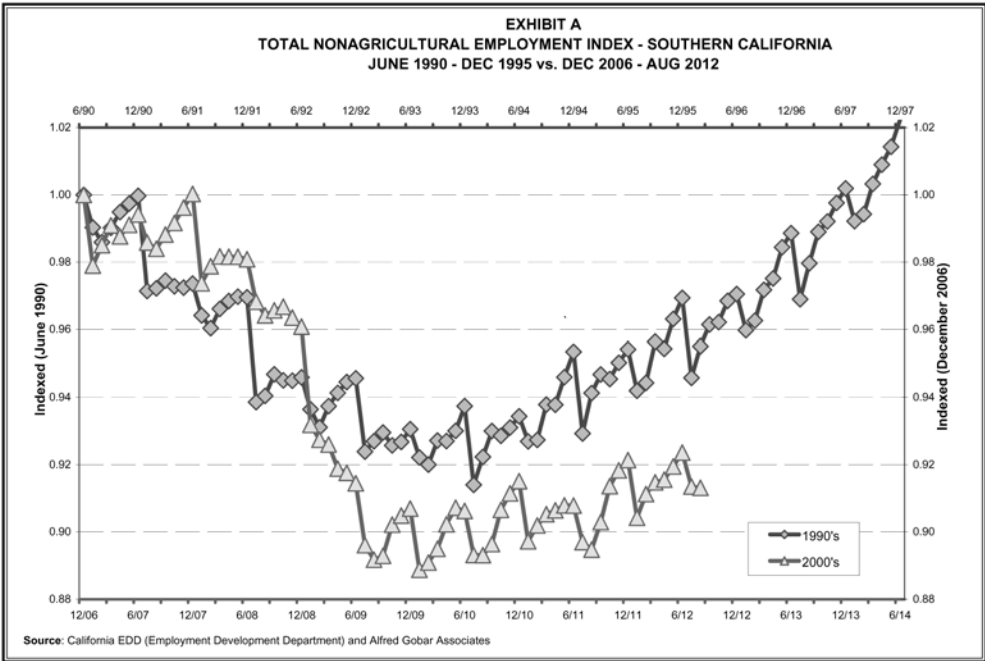
California; i.e., new development is at about the rate of demand growth.

There may be a light at the end of the tunnel. It is likely, however, that we are looking into a fairly long tunnel.

During the 12 months ended August 2012, nonagricultural wage and salary employment as reported by the California Employment Development Department for the six-county area grew by approximately 158,000 jobs. This is a significant increase. Employment trends for California recently have been outperforming the general trends for the U.S. overall.

Employment growth over the 12 months ended August 2012 shows increases in most sectors including construction. Of significant interest is the increase in employment in the finance sector amounting to 9.2 percent of the overall job growth. Within that category, employment in real estate-related activities—rental and leas-

*continued on page 26*



hold formation and, therefore, housing occupancy. Employment growth is a good thing for real estate markets. An index of nonagricultural wage and salary employment for Southern California as a whole (Ventura, Los Angeles, Orange,

ed, employment declined more in percentage terms in the current recession than it did two decades ago, and the recovery has been relatively feeble. Those of us interested in the High Desert real estate market, therefore, should have patience

the cycle on the order of 135,000 dwelling units. Concurrently, however, despite modest new construction, approximately 140,000 new units have been added or are in the pipeline to be added to the total housing stock in Southern

## Business Brokerage Firms Serving the I.E.

Listed Alphabetically

Company Name Address City, State, Zip	\$ Sales Volume: YTD Sept. 2012 Year 2011	# Offices I.E. # Offices Total	# Agents I.E. Year Founded	Specialties	Headquarters	Top Local Executive Title Phone/Fax E-Mail Address
1. <b>Business Quest</b> 9431 Haven Ave., Ste. 104 Rancho Cucamonga, CA 91730	\$4,000,000 \$3,500,000	1 1	4 2007	Wholesale, Distribution, Manufacturing, Medical, Technology	Rancho Cucamonga	<b>Edward L. Fixen</b> President (909) 803-2296/(866) 381-7257 ed@businessquestbrokers.com
2. <b>Century 21 Wright</b> 30610 Rancho California Rd. Temecula, CA 92591	\$145,010,960 \$96,698,000	1 4	55 1992	Residential Real Estate, Land, Commercial Lease, Small Business Management Sales/Property	Temecula	<b>Ruth &amp; Jerry Wright</b> Broker/Owner (951) 694-5300/(951) 694-5401 frontdesk1@c21wright.net dfox@c21wright.com
3. <b>Professional Practice Sales</b> 18410 Irvine Blvd. Tustin, CA 92780	\$10,000,000 \$10,000,000	0 3	5 1966	Practice Appraisals, Practice Sales, Professional Business Sales	Tustin	<b>Thomas M. Fitterer</b> President (714) 832-0230/832-7858 tpsincnet@aol.com
4. <b>Sunbelt of Coachella Valley</b> 72-757 Fred Waring Dr., Ste.8 Palm Desert, Ca 92260	\$3,000,000 \$2,500,000	1 250	5 2004	Business Brokerage for All Types and Sizes of Businesses & Professional Practices	Palm Desert	<b>Richard Smetana</b> President/Broker (760) 568-1511/773-0668 smetanar@sunbeltnetwork.com
5. <b>Sunbelt Business Brokers</b> 9036 Pulsar Ct., Ste. J Corona, CA 92883	\$1,693,000 \$3,523,000	1 212	7 2003	Manufacturing, Distribution, Prof. Services, Food Services, Automotive, Daycare, Gas Stations	Cleveland	<b>D. Joe Atchinson</b> President (951) 277-4002/277-4003 j.atchison@sunbeltnetwork.com

Note: All California Business For Sale provides business for sale information on their Web sites at [www.allcalifbiz.com](http://www.allcalifbiz.com) and [www.bizben.com](http://www.bizben.com), or phone (925) 831-9225.

N/A = Not Applicable WND - Would not Disclose na = not available. The information in the above list was obtained from the companies listed. To the best of our knowledge the information supplied is accurate as of press time. While every effort is made to ensure the accuracy and thoroughness of the list, omissions and typographical errors sometimes occur. Please send corrections or additions on company letterhead to: The Inland Empire Business Journal, P.O. Box 1979, Rancho Cucamonga, CA 91729-1979. Copyright 2012 by IEBJ.



Real Estate...

continued from pg. 25

ing, etc.—amounted to 4.9 percent of the 158,000 jobs increase. The finance sector represents less than 6.0 percent of Southern California’s employment base. The real estate portion of the finance sector amounts to about 2.0 percent of the total base. These categories of employment, therefore, are growing substantially faster than the general economy and faster than their overall role in the economy.

Employment in leisure and hospitality accounted for a substantial portion of job growth during the 12 months ended August 2012, amounting to 23.3 percent of the increase. This sector accounts for less than 12.0 percent of the total employment base in the six-county area.

Government employment grew little during the most recent 12 months for which data are available, accounting for 2.2 percent of the net increase. Overall, government employment is about 15.0 percent of the total employment base in

other categories, total increase in nonagricultural wage and salary employment over the 12 month interval would have been above the long-term average for Southern California as a whole and job growth would have exceeded the long-term average trend.

When Harry Truman was President, he was said to have pushed for “one-handed economists” so that economists could avoid tempering their projections by saying “on the other hand.” Similarly, we should point out that for the past several years, employment estimates from government agencies have been subject to revision and to rather erratic behavior on a month-to-month basis contributing to some queasiness regarding the validity of the data. Since the recent employment figures have been so positive, however, until they are revised, we will continue to act like we fully trust their validity.

In the most recent 12 month data, the most significant growth in nonagricultural wage and salary employment occurred in Los Angeles

level of nonagricultural wage and salary employment in Ventura County declined slightly during the 12 month interval.

The pattern of housing development in Southern California derivative of building permit activity for 2011 is fairly consistent with the relative growth in nonagricultural wage and salary employment among the five study areas (Riverside and San Bernardino Counties are grouped together as the “Inland Empire”). A comparison of the percent of nonagricultural wage and salary employment growth accounted for by each of the five areas relative to the percent of new units authorized by permit in each of the five areas is shown below:

The specific data indicate that San Bernardino County represented 5.9 percent of the new units authorized during 2011 and Riverside County for 13.3 percent. Riverside County’s housing market benefits from its proximity to San Diego County, which experienced the recession sooner than the rest of Southern California and has been doing somewhat better than much of the rest of Southern California. In addition, Riverside County serves a national market for second homes and retirees.

The trend of building permit activity for residential development in Southern California since 1985 is illustrated in Exhibit B.

There has been a modest increase in residential building permit activity since 2009. Actual numbers of new units authorized by permit since 1985 for Southern California overall are summarized in Exhibit C. Projections for full-year 2012 suggest building permit activity for Southern California will total about 29,000 units.

Interestingly, this is roughly 14.0 percent of the level of

Budgetary...

continued from pg. 12

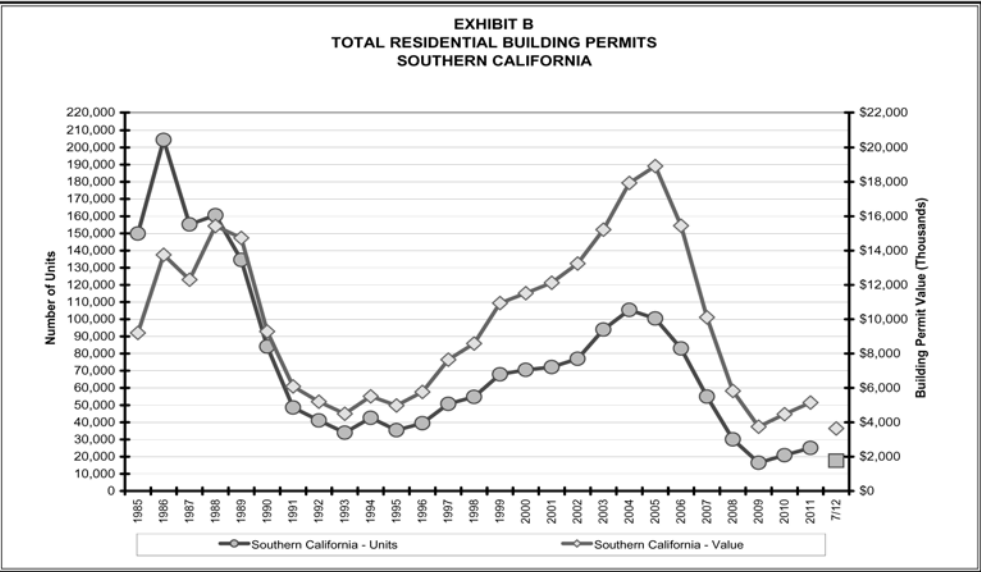
I’m not trying to minimize the one we face with the fiscal cliff. But not all deadlines are created equal, and some become real only when circumstances force the issue. The first time the House voted on whether to rescue the nation’s banking system in 2008, for example, the rescue vehicle – the Troubled Asset Relief Program – was voted down. The Dow promptly dropped 777 points, its largest one-day point decline ever, and the House passed TARP three days later. Similarly, we hit the debt ceiling in May of 2011, but did not get an immediate agreement from Congress to raise it even though Standard & Poor’s, the credit-rating agency, had already issued a negative outlook on the government’s credit rating. Lawmakers didn’t act until 79 days later, on the eve of the Treasury being unable to pay its bills.

I think the current focus on the fiscal-cliff “deadline” of Jan. 1, 2013, is overdone. It is not a real deadline unless some crisis, like a bad reaction by the financial markets, makes it one. The debt ceiling, by contrast, will present a real deadline, although based on the 2011 experience, it may not be the day the ceiling is breached on paper but the day the government really can’t pay its bills. We estimate the government will hit the debt ceiling near the end of this year, but Treasury officials have said they will be able to fund the government into early 2013. Whatever the exact timing, this will be a significant leverage point in the fiscal-cliff negotiations.

The Outlook

My expectation is that we will get our grand bargain on taxes and spending sometime in 2013, although the political brawling between then and

County	Percent of Nonagricultural Wage & Salary Employment Growth	Percent of Residential Units Authorized By Permit in 2011
Los Angeles County	47%	40%
San Diego County	18%	21%
Orange County	18%	17%
Inland Empire	16%	19%
Ventura County	Negligible	2%



Southern California. If government employment were to be increasing consistent with the

County, followed by San Diego County, Orange County, and the Inland Empire, in that order. The

continued on page 30

continued on page 31

**Real Estate Notes...** is leased to California Patio, Payless Shoes, Desert Gateway Dental Group and Mathis Brothers Sleep Center.

Positioned at the highly trafficked intersection of the I-10 Freeway at Monterey Avenue and Dinah Shore Drive, the property is part of the Desert Gateway Power Center, which covers more than 70 acres of land. The center is anchored by Wal-Mart Super Center, Sam’s Club, Kohl’s Department Store, and Ashley Furniture.

Alan Krueger, senior vice president investments, Kevin Boeve, vice president investments, and Kevin Le, associate in Marcus & Millichap’s Ontario office, had the exclusive listing to market the property on behalf of the seller, a limited liability company.

**MURRIETA INDUSTRIAL PARK ACQUIRED BY FROME DEVELOPMENTS OMEGA**

Frome Developments Omega purchased an 82k-square-foot, multi-tenant industrial park in Murrieta for \$5.5 million (\$67/sf). The property, which was built in 2006, is a five-building complex and is centrally located just east of the 15 and 215 Freeways.

The property is at 38340 Innovation Court, east of Winchester Road and just south of French Valley Airport. Built with recent institutional quality improvements, the industrial park, made up of 44 units ranging from 1k square feet to 3.5k square feet, is in excellent condition and was over 85% occupied at the time of purchase.

Rob Socci and Jack Faris of Voit Real Estate Services’ Anaheim office represented the buyer and the seller, a lender that had taken ownership of the property after a loan default. Escrow closed within 45 days.

Based in Costa Mesa, Frome Developments Omega owns and manages approximately 2 msf of multi-tenant business parks throughout Orange, Riverside, San Bernardino, and Los Angeles Counties. With this latest acquisition, Frome has acquired close to 300k square feet of multi-tenant industrial parks within the last 15 months.

**CAMDEN PROPERTY TRUST CLOSES 469-UNIT INLAND EMPIREAPARTMENT BUY**

Landmark at Ontario Towne Center, a 469-unit multifamily community located in Ontario, was purchased by a subsidiary of Camden Property Trust, one of the largest publicly traded multifamily companies in the United States. The asset was 95% occupied at the time of the sale.

Landmark at Ontario Towne Center offers 15 modern floor plans averaging 982 square feet in size. Interior amenities include cherry wood finish cabinetry, nine foot ceilings, crown molding, trendy kitchens, French doors, washer/dryers and beautiful mountain, pool and courtyard views. Landmark residents enjoy resort-style community amenities such as a relaxing pool area, modern clubhouse, internet café, executive business center, manicured putting green, children’s play area and dog park.

Landmark is located within the master plan development known as Piemonte at Ontario Center. This 89-acre mixed-use urban center includes residential, business, entertainment, retail and restaurant uses. Landmark is conveniently accessed from the 10 Freeway via the Haven Avenue exit north to 4th Street east, at the southeast corner of 4th Street and Duesenberg Drive.

CBRE’s Paul Runkle, senior vice president in the Ontario office; Tyler Anderson, vice chairman in the Phoenix office; and Laurie Lustig-Bower, executive vice president in the Beverly Hills office; represented the seller, a fund advised by Prudential Real Estate Investors. The transaction value was not disclosed.

*continued on page 30*

**The Top 5...** Oversimplify and we set ourselves up for poor decision-making.

*continued from pg. 19*

**3. “Everything is GREAT!” (Happy talk)**

Project advocates would never get the ear of senior management without predicting optimistic outcomes. Politicians would never be elected if they didn’t promise a sunny future. Optimism is ingrained in American culture. Attempts to confront it with reality are consistently dismissed with the discussion-ending judgment of negativity.

But who wouldn’t rather think they are going to enjoy a positive future rather than pain, suffering, and gnashing of teeth? However, due to unrealistic optimism, who hasn’t miscalculated how long it will take to get to a destination? Who hasn’t underestimated the real cost of time and effort to reach a particular goal? The optimism bias shows up every time a company has to restate its earnings. Project-cost overruns, delays, and benefit shortfalls result from this combination of wishful thinking and the inability to recognize complexity.

Of course optimism is not a bad thing. It can stem from genuine responsible confidence, and confidence may lead to bold, necessary, and effective action. But optimism without a foundation sunk into the ground of reality is unstable and self-delusional. The optimism bias underestimates necessary contingent factors—as any insurance salesman would be happy to point out to you.

**4. “I can’t wait that long.” (The time factor)**

Given the choice, would you prefer to have \$100 today or \$300 tomorrow? Most of us can defer immediate gratification and wait an extra day for a significant monetary increase. However, studies show if we have to wait one year for \$300 or we can take \$100 today, most of us demonstrate what’s called present bias and go for the \$100 right now.

The perceived length of time to realize a benefit has a significant impact on our selection, so let’s change the time factor. Imagine you are given the choice between gaining \$100 one year from today or \$300 in one year and one day. Most people given such a choice can wait the extra day. Studies show that under similar conditions, as the time to realize the benefit is increased, the majority of us would reverse our decisions. Without short-term reinforcement of long-term goals, our objectives remain mirages and greatly affect our decision-making ability.

**5. “According to my Magic 8-Ball...” (Magical thinking)**

“Mirror, mirror on the wall, who’s the fairest of them all?” The evil queen in “Snow White” wanted to know about the future, and so do we. She had a magic mirror. We have educated guesses. While any prediction about the future or how a decision will turn out is a guess, educated guesses are more likely than magical thinking to deliver results we want. However, we should be aware of our tendencies to oversimplify, as we discussed, by focusing only on what we think is relevant.

Cognitive scientists call this bias anchoring. Once this anchor has securely fixed itself in a crevice in the seabed of your mind, it’s not easy to shift. Then you interpret information based on this what-you-think-is-relevant anchor. It gets worse. You ignore other possible relevant factors. Not only are you focusing on wrong information, but you’re ignoring information that could be vital to long-term success. Falling prey to magical thinking and not testing your assumptions—not anchoring—can capsize the whole enterprise.

**It’s Never Too Late**

If you’ve ever realized that a decision you made was less than stellar, don’t feel bad. It happens to us all. But by understanding the top five things that get in the way of

*continued on page 37*



## Why I Despair...

*continued from pg. 20*

World. Compare Barack Obama's entire oeuvre to a single line from Thomas Jefferson or Emma Lazarus or Frederick Douglass—or even Ronald Reagan. Does it stand up? Only in a society that has lost touch with the ancient and is reflexively in love with the new could such a man be considered to be an inspiration.

And yet, he has now won twice. To paraphrase Oscar Wilde, to elect such a man once may be regarded as a misfortune, but to elect him twice looks like carelessness. (Or, rather, criminal negligence.) This year, certainly, was not the perfect storm of 2008. Then, novelty and redemption played a role; this time, an insipid bore ran on an openly statist platform and won the day in a country that is supposed to be “center right.” Maybe it no longer is. In 1980, when faced with a set of policies that demonstrably hadn't worked and a president who wanted to take America leftward, America chose a different path; in 2012, it doubled down. That says a lot about a people. The central problem, then, is not that Obama will be president for the next few years, but that the American people — knowing him — chose to reelect him. Even if this is put down to a failure of Romney's turnout operation or Hurricane Sandy or Obama's brilliant targeting, it does not say much for their commitment to classical liberalism that a significant group of Americans stayed away from the fight because they didn't like Mitt Romney. That this was not a clear-cut repudiation of the president should sound the alarm.

Many had hoped that Tuesday would be 1980 revisited. It was not. Instead, in its effects at least, it was more like 1945 in Britain, in which year the Labour party was elected and began to put into place the foundations of a government-owned and -run health-care sys-

tem that would quickly displace the established church as Britain's national religion. (If you question the believers' zeal, take a look at the frenzied NHS worship at the Olympic opening ceremony.) As Mark Steyn has correctly observed, in Britain as elsewhere, the National Health Service paved the way for a “permanent left-of-center political culture” that obtains regard-

less of who wins office. Obamacare will now go into effect, and Americans will soon feel entitled to its fruits. Those who doubt that this will have a deleterious effect on American republicanism have clearly never been bribed with their own health care. Almost certainly, Obamacare will fail. And then, as always, it will be replaced by something even fur-

ther left. For the model, see Obama's record on student loans.

Economic gravity will prevail, as it always does, and it will eventually yield another conservative president. Indeed, the nature of the two-party system all but guarantees it. But this won't do much good in and of itself. The growth of the state

*continued on page 39*

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# No Money, No...

*continued from pg. 16*

money, develop a customer base, and build momentum. Then you can start funding a production facility if you so desire. Just remember that oversight is critical—anything you outsource will ultimately bear your company’s name, so never compromise on quality.

“With outsourcing, you usually pay only when the product is produced—and produced to your quality specs,” confirms Houlihan. “Remember our laundry room? Well, it was only an office—a command center, if you will. Bonnie and I outsourced wine production, bottling, and manufacturing the logo that went on the bottles. If we’d had to pay for all of that space, equipment, and manpower up-front, we would never have gotten Barefoot off the ground.”

**Use “worthy cause marketing” to advertise your product or service.** No matter how unique or useful or amazing your product is, your company will never succeed unless potential customers know you exist. In other words, you need to advertise. This, says Houlihan, is one area in which he and Harvey “stumbled” into a stroke of genius. In a nutshell, since Barefoot didn’t have the budget for traditional marketing, they spread the word about their wines by partnering with nonprofit organizations (NPOs).

“Specifically, we sought out organizations that believed in causes close to our own hearts—environmentalism, civil rights, education, the arts, and more,” explains Houlihan. “In this way, we gained access to huge numbers of potential customers and gave them a ‘social reason’ to buy Barefoot wine.

“When Barefoot Wine was starting out, Bonnie and I donated wine and manpower at our partner NPOs’ events,” he recalls. “We were able to help the NPOs, talk up our product, and conduct market research by talking to attendees. We also recognized the NPOs on our website and publications, and vice versa. It was very much a grassroots effort, and because we worked hard, had fun, and believed in what we were doing, it paid off for us and our partner NPOs.

“Consider adopting this strategy for yourself,” he suggests. “Start by seeking out NPOs—small, local ones are best—that resonate with you and your product.”

**Trade the goods and services you have for goods and services you need.** If you think that bartering is a thing of the past, think again! When you look in the right places, you’ll find that there are still many entrepreneurs and companies that are willing to accept goods and/or services in lieu of a cash payment. Many start-ups besides yours, especially in their early days, will actually prefer this option to spending money, just the way you do.

“Find other start-ups that have what you need and need what you have,” recommends Houlihan. “Specifically, a good place to start might be any suppliers that are also start-ups. They are cash-strapped like you and probably need to spend money they don’t have. Find out what they need and see if it’s something you can provide. Perhaps your product is something their supplier needs.

“If your own inquiries don’t yield any results, there are many barter companies that specialize in these kind of trades,” he adds. “The main thing is to remember that your product can be valuable to someone who is willing to trade to get it. Just be sure that any trade you make is legal, and realize that there can be tax consequences.”

**Forge strategic growth alliances with suppliers.** This one comes down to plain old common sense: There are no drawbacks and many advantages to having a good relationship with your suppliers. Remember, as your company grows, you’ll become a bigger and bigger customer, which in turn will help your supplier to succeed.

“It never hurts to remind your suppliers of this fact,” points out Houlihan. “And when you’re on good footing with them, you’ll find that they’re willing to help you by providing special discounts and extending your credit because they like the way you pay your bills.

# Listening for...

*continued from pg. 14*

create as many as 400,000 jobs that will last for at least two years and avoid future catastrophes. One-third of this expenditure (i.e., \$13 billion) will immediately be returned to the federal and state governments via income taxes. The balance will be rotated through the economy as workers spend on food, housing, clothing, and other consumer goods. The net cost to the deficit will be zero.”

**Alternative funding methods are repeatedly ignored or avoided.** To date, many public-private partnerships in the U.S. have been quickly quashed by a combination of lobby interests and government concern that the deals will unfairly favor the private sector.

For example, in 2008, the Pennsylvania legislature derailed efforts by a consortium of private investors to pay the state \$12.8 billion for a 75-year lease to manage the Pennsylvania Turnpike. A report by the Pew Center on that failed transaction found that causes ranged from a lack of coordination between the executive and legislative branches of state government, overly optimistic financial assumptions, and the lack of a “clearly articulated plan for how the proceeds would have been invested and spent.”

“We must take the right precautions in pursuing public-private partnerships (P3s),” says LePatner. “But they are options that should be on the table. For example, we will have to ensure that there is a balance of competing governmental and private profit-seeking interests in P3 projects. We will also need to ensure that the proper financial advisors are sitting on the side of state and federal officials to balance out the experts who advise these private investors. By taking the right steps, we can devise several workable models to use P3s to improve the nation’s infrastructure while still protecting the traveling public from excessive toll rates and ensuring that the interests of truckers, railroads, union workers, and the towns and cities along those routes are fairly heard and balanced into the equation.”

“Right now, our nation’s leaders are not leading,” says LePatner. “They are not looking down the road to a brighter future. Instead, they are consistently ‘kicking the can’ down a brutally congested road, pockmarked with potholes and connected by bridges that are unsafe for the traveling public. Their silence on this important issue is deafening. And yet, even in the din of the voices screaming for their next political campaign contribution and posing for a photo opp, there is a whispering sound, ‘Drop by drop comes wisdom by the awful grace of God.’”

*For more information, please visit [www.TooBigToFall.com](http://www.TooBigToFall.com) and [www.BarryLePatner.com](http://www.BarryLePatner.com).*

Barefoot’s relationship with our bottle supplier in the early days stands out to me in particular. They extended highly unbank-like credit extensions to us many times. I explained that I could either pay what we owed now and not have any money left over to grow, or I could wait to pay and continue to grow. The glass company recognized that everyone would benefit more in the long term if Barefoot was allowed to grow now, and they always extended the credit we needed.

“One last thing: Make sure to never give your suppliers a reason to doubt your goodwill or integrity,” he adds. “Call them as soon as you know you will be unable to pay on time, and give them a workable payment plan. They have bills to pay too and will appreciate a timely heads up. As a matter of fact, that’s exactly the kind of customer they want long term.”

**Give discounts for cash and large volume purchases.** This strategy, says Houlihan, is another win-win proposition. Start by offering retailers a discount if they’ll pay cash for your product, or if they purchase a large quantity. Right

*continued on page 38*



Real Estate...

continued from pg. 26

building permit activity observed in 1986 when Southern California was emerging from the 1980 recession. It is also interesting to note that during 1985—at the end of the 1980’s recession—building permit activity in Southern California totaled nearly 150,000 new units, while cur-

cent of that level at about 30,000 units a year.

Although the 1980’s recession had the special features of extraordinarily high inflation and interest rates, the recovery from the current recession has been minimal, suggesting that economic growth that occurred during the 1980s supported a strengthening housing and real estate market, while the tepid economic growth observed cur-

of residential building permit activity on the High Desert. At the peak of activity, more than 8,000 units a year were being authorized by permit. Recently, as shown in Exhibit E, overall residential building permit activity has been on the order of less than 250 units per year in 2011 and likely to be substantially less than 1,000 new units for 2012.

The figures in Exhibit E are influenced substantially by 205 multi-family units authorized by permit in Victorville. Absent this atypical level of activity in multi-family housing construction, overall building permit activity on the High Desert would probably be on the order of 350 units for the full year, or less than 4.0 percent of the more than 8,000 new units authorized in 2005.

Based on the average building permit value per unit, much of the new construction of single-family housing on the High Desert recently has apparently been custom homes. This is not a product that lends itself to high-volume activity. Much of the real estate activity observed recently has been of a qualitative nature—purchase of distressed assets that lend themselves to be reworked for enhanced value. The whole process of flipping foreclosures has attracted increasing levels of interest on the part of real estate professionals who have limited opportunities in tract developments, land entitlement, or other large-scale endeavors which typify opportunities in a strong market. Although interest rates are at record lows—a factor which

should encourage real estate development or real estate investment—uncertainty associ-

continued on page 35

Real Estate Notes...

continued from pg. 27

300-SQUARE-FOOT INLAND EMPIRE POWER CENTER HITS THE MARKET

Foothill Crossing, a 312.3k-square-foot regional power center in Rancho Cucamonga, has been listed for sale with an asking price of \$60 million. The property, located at 12181-12357 Foothill Boulevard, just west of I-15, is being marketed by Jeff Conover of Faris Lee Investments on behalf of the seller, Foothill Crossing LLC.

The property is 98 percent occupied and is comprised of a strong national credit tenant lineup anchored by Sears Grand, Total Wine & More, and Office Depot. The center draws from a market area of approximately one million people within a 10-mile radius.

Built in 2004 and 2006, the property sits on just over 31 acres and is located across from Victoria Gardens, a 1.5m-square-foot lifestyle mall anchored by Macy’s, JCPenney, AMC Theaters, and Bass Pro Shops, and is one of the top performing retail centers in California, providing excellent tenant synergy and strong crossover shopping.

Foothill Crossing also benefits from unobstructed retail frontage of nearly a half-mile along Interstate 15, and approximately 1,600 feet of frontage along Foothill Boulevard. The average household income is in excess of \$89,000 within a five-mile radius.

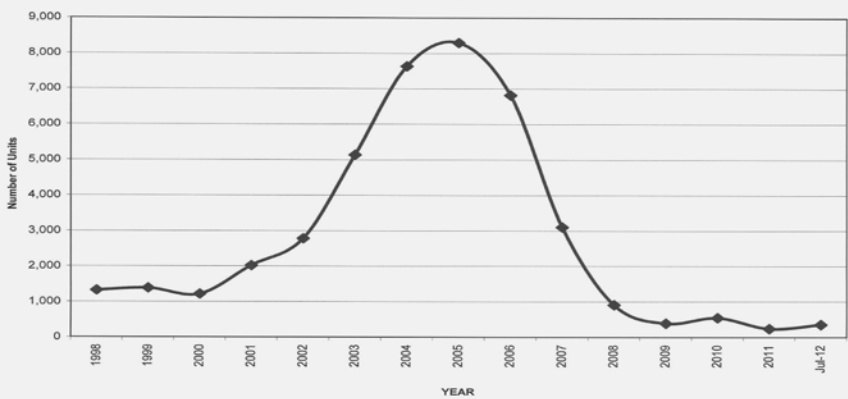
“This center offers an investor a high 8.26 percent cash-on-cash return starting day-one of ownership,” said Conover. “The intrinsic value of the prime Southern California real estate located off a major freeway on/off ramp in a highly populated retail corridor and pricing below replacement cost of \$192 per square foot makes this a secure and stable ownership opportunity that that offers passive returns year over year.”

EXHIBIT C  
RESIDENTIAL BUILDING PERMIT TRENDS  
SOUTHERN CALIFORNIA

Year	Units			Value (\$000)			Average Value Per Unit		
	Single Family	Multi Family	Total	Single Family	Multi Family	Total	Single Family	Multi Family	Total
1985	59,956	99,246	149,870	5,465,594	4,426,252	9,208,120	91,160	44,599	61,441
1986	81,173	123,265	204,438	7,957,760	5,797,204	13,754,964	98,035	47,030	67,282
1987	74,138	81,120	155,258	8,062,076	4,241,657	12,303,733	108,744	52,289	79,247
1988	90,812	69,753	160,565	11,187,654	4,239,628	15,427,282	123,196	60,781	96,081
1989	84,200	50,332	134,532	11,276,373	3,457,388	14,733,761	133,924	68,692	109,519
1990	44,535	39,537	84,072	6,421,591	2,864,092	9,285,683	144,192	72,441	110,449
1991	30,238	18,408	48,646	4,622,648	1,467,455	6,090,103	152,875	79,718	125,192
1992	28,990	12,058	41,048	4,299,526	900,133	5,199,659	148,311	74,650	126,673
1993	26,659	7,291	33,950	3,905,474	591,480	4,496,954	146,497	81,125	132,458
1994	31,833	10,784	42,617	4,731,681	778,659	5,510,340	148,641	72,205	129,299
1995	27,985	7,444	35,429	4,405,337	575,192	4,980,528	157,418	77,269	140,578
1996	31,294	8,141	39,435	5,153,227	613,267	5,766,495	164,671	75,331	146,228
1997	38,763	11,990	50,753	6,727,448	922,546	7,649,994	173,553	76,943	150,730
1998	41,909	12,864	54,773	7,679,776	906,609	8,586,385	183,249	70,476	156,763
1999	48,229	19,704	67,933	9,493,871	1,450,428	10,944,299	196,850	73,611	161,104
2000	46,547	23,989	70,536	9,663,649	1,856,792	11,520,441	207,611	77,402	163,327
2001	50,228	21,888	72,116	10,223,147	1,900,592	12,123,739	203,535	86,833	168,114
2002	56,241	20,692	76,933	11,290,341	1,953,563	13,243,904	200,749	94,411	172,149
2003	64,435	29,566	94,001	12,767,236	2,450,254	15,217,491	198,141	82,874	161,886
2004	71,574	33,878	105,452	14,788,067	3,145,306	17,933,373	206,612	92,842	170,062
2005	72,360	28,106	100,466	15,687,463	3,227,044	18,914,506	216,797	114,817	188,268
2006	53,353	29,676	83,029	11,818,776	3,624,845	15,443,621	221,520	122,147	186,003
2007	29,662	25,305	54,967	7,024,739	3,085,108	10,109,847	236,826	121,917	183,926
2008	12,891	17,163	30,054	3,663,323	2,163,124	5,826,447	284,177	126,034	193,866
2009	9,929	6,466	16,395	2,881,733	863,478	3,745,211	290,234	133,541	228,436
2010	11,722	9,076	20,798	3,166,939	1,304,742	4,471,681	270,171	143,757	215,005
2011	10,123	14,955	25,078	3,004,725	2,142,990	5,147,714	296,822	143,296	205,268
1/12 - 7/12	6,310	11,278	17,588	1,938,617	1,704,473	3,643,090	307,229	151,133	207,135
1/11 - 7/11	6,612	8,724	15,336	1,931,215	1,251,516	3,182,731	292,077	143,457	207,533
1/10 - 7/10	7,353	5,436	12,789	1,988,744	785,441	2,774,184	270,467	144,489	216,920
1/09 - 7/09	5,852	4,277	10,129	1,774,648	563,241	2,337,889	303,255	131,691	230,811
1/08 - 7/08	9,096	12,374	21,470	2,499,060	1,507,359	4,006,419	274,743	121,817	186,605
1/07 - 7/07	21,802	14,508	36,310	5,118,145	1,801,320	6,919,465	234,756	124,160	190,566
Averages									
1991 - 1995	29,141	11,197	40,338	4,392,933	862,584	5,255,517	150,748	76,993	130,840
1996 - 2000	41,348	15,338	56,686	7,743,594	1,149,928	8,893,523	185,187	74,753	155,630
2001 - 2005	62,968	26,826	89,794	12,951,251	2,535,352	15,486,602	205,167	94,355	172,096
2006 - 2010	23,511	17,537	41,049	5,711,102	2,208,259	7,919,361	260,586	129,479	201,447

Source: Bureau of the Census - Construction Statistics Division; Alfred Gobar Associates.

EXHIBIT D  
TOTAL RESIDENTIAL BUILDING PERMIT UNITS  
HIGH DESERT AREA



rently in 2012, approximately three years after the bottom of the current recession, building permit activity is only 20.0 per-

rently has obviously not resulted in similar real estate sector activity.

Exhibit D shows the pattern

*Barstow City...*

*continued from pg. 15*

Supreme Court upheld the legislation that effectively dissolved redevelopment agencies throughout the state. However, in Barstow, the city had created contingency plans over a year ago in anticipation that redevelopment agencies could be eliminated. The strategy that the city developed was focused on developing enough capacity within the General Fund to absorb necessary RDA expenses. For example, several employee positions that were previously paid for with redevelopment monies were transitioned to General Fund roles as part the FY 11/12 Budget. In addition, a new cost allocation formula that was instituted with the budget called for the RDA to pay for fewer General Fund expenses than in prior years. When the Supreme Court ruled that redevelopment agencies in California were to be dissolved, the city of Barstow was ready to address the situation. While the dissolution of the RDA does create a financial impact on the city, overall, the elimination of redevelopment will not require any reductions or modifications to the city’s current operations.

**Fort Irwin Projects**

Fort Irwin and the United States Military have made a concerted effort to involve the local community in a variety of currently planned projects. While there are numerous improvements being coordinated by Fort Irwin, the two most significant initiatives include the construction of a \$100 million water treatment plant and a \$400 million hospital facility. These two projects, which will total an investment of over half a billion dollars in the greater Barstow area, are scheduled to break ground within the next year and are both scheduled for completion in 2015.

While the overall economic situation is still challenging, the current projects in the Barstow area illustrate that:

- Barstow is strategically situated midway between Los Angeles and Las Vegas.
- Barstow is a major transportation corridor that serves more than 60 million travelers and 19 million vehicles each year.
- Barstow is where the Interstates 15 & 40 and Highways 58 & 247 all converge.
- Barstow is home to the Tanger Outlets and Barstow Outlets, which provide shopping options that are usually only found in metropolitan areas.
- Barstow is where an eclectic mix of railroad, military, high technology, and mining employers have located.
- Barstow is home to a vibrant and caring community.
- Barstow is positioned to be the next big thing in the High Desert.
- Barstow is at the crossroads of opportunity... where the best is yet to come.

*Any individual who would like to learn more about all that Barstow has to offer is encouraged to visit the city’s website at [www.barstowca.org](http://www.barstowca.org) or to contact Oliver Chi, assistant city manager, via email at [ochi@barstowca.org](mailto:ochi@barstowca.org) or by telephone at (760) 577-4510.*

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*The Demand...*

*continued from pg. 21*

zero in the larger structures. In the town of Apple Valley there was no vacancy in the larger buildings but the rate for the smaller buildings was 8.2%. The smaller buildings in the city of Adelanto had a vacancy rate of 3.1% while the larger buildings had no vacancy. The vacancy rate for smaller buildings in the city of Hesperia was 3.6% compared to 11.6% for larger buildings. For an area the size of the High Desert the stabilized vacancy rate is approximately 5% so long as the demand for industrial space is expanding.

From January 2011 through June 2012 the High Desert experienced a net absorption of 1,281,000 SF. SCLA accounted for 1,067,000 SF, of which 1,113,000 SF was in the larger industrial buildings. The city of Adelanto gained almost 121,000 SF in industrial demand; all of which was associated with smaller buildings. During the same period, the town of Apple Valley had a net absorption of 25,000 SF, somewhat evenly split between smaller and larger sized buildings. The city of Hesperia absorbed over 94,000 SF; in spite of the fact that there was a slight decrease in occupancy in the larger buildings. The city of Barstow experienced a decline in industrial occupancy of approximately 54,000 SF, all in larger buildings, while the non SCLA portion of the city of Victorville recorded 27,000 SF of positive absorption.

*Budgetary...*

*continued from pg. 26*

now may be unpleasant to watch. Make no mistake, this is a colossal negotiation, and the parties involved will deploy all the strategies and tactics at their disposal, including, among other things, anchoring, currency creation, and time management. Since the election, we have already seen negotiators trying to establish anchoring points, or places from which to start discussions. We have seen them trying to create currency, or something they can trade in exchange for what they want out of a deal. Undoubtedly they will soon be posturing on time, too, in a bid to put pressure on their opponents.

Because of the complexity of these negotiations, it is difficult to predict what the exact outcome will be, including how badly the spending cuts will really impact the economy if they are allowed to go through. The Congressional Budget Office, which is the official evaluator of policy, has projected that if all the fiscal tightening takes effect as scheduled, inflation-adjusted GDP will contract by 0.5 percentage in 2013. That figure assumes an economic decline in the first half of the year, followed by renewed growth at a modest pace later in the year. The first-half contraction of the economy would push the unemployment rate up to 9.1% by the fourth quarter of the year. (It was 7.9% last month.) After next year, the CBO estimates, economic growth would pick up and the labor market would strengthen, returning economic output to its potential level and shrinking the unemployment rate to 5.5% by 2018.

Well, that doesn’t sound so bad if the alternative is continuing on the path to becoming Greece, which is suffering through disastrous debt problems. It almost sounds more like a fiscal bump than a fiscal cliff. Some in Congress may conclude that it would be better to go that way than to continue toward a Greek tragedy. Willingness to go down the fiscal-bump path would give them a lot of leverage in negotiating a better plan. Undoubtedly there are some in both parties who see it that way, though I don’t know how many.

Meanwhile, what about the impact of our current political disharmony? As I’ve noted, policy uncertainty is already holding back our economy. Economists at the Federal Reserve Bank of San Francisco believe that without

*continued on page 33*



*The End of...*

*continued from pg. 7*

tomor community of middle-class (law-abiding) customers that morphed into today's famous million-person HOGs (Harley Owners Group). Today, Harley-Davidson HOGs, far from being outlaws, position themselves as family: the brothers (and now sisters) you never had.

It's not just sexy products like Harleys (and iPads) that can create large communities of customers—which in turn attract large numbers of buyers. One of the most successful customer communities is Procter & Gamble's BeingGirl community of teenage girls, formed around, of all things, feminine care products.

"The key to forming customer communities is not to try to build them around your brand—a common and obvious mistake marketing departments make," notes Lee. "Rather, ask, 'What does our product or service mean to our customers?' Or, 'What could they mean?' P&G realized that its feminine care products could symbolize the difficult, scary, exciting transition its teenage customers are making into becoming young women."

**Get customers involved in the solution.** When toy maker LEGO launched its robotics building-block kits, Mindstorms, a few years ago, hackers almost immediately started altering the code to allow the robots to do more. In circumstances like this, most firms call their legal departments and start issuing cease and desist demands. Indeed, faced with a similar response when it issued a comparable line of toys, Sony did just that. But LEGO took a smarter approach, says Lee.

"Basically, LEGO executives did the math," he explains. "One thousand or so hackers—or more to the point, enthused and technically advanced customers—were coming up with robots that could do amazing things that the firm's seven internal developers had never thought of. One of the hacker-created robots could solve a Rubik's cube. As they—and their other customers—realized the value the hackers were creating, LEGO further embraced them. Now its customer community numbers in the tens of thousands and continues to develop amazing arrays of robotic toys—far beyond anything the company might have developed on its own."

Meanwhile, 3M and other companies are systematizing customer-led innovation. Rather than wait passively for customers to begin altering or hacking their products, they've learned how to proactively pursue and find customers, or "users," who would be most likely to come up with breakthrough innovations. MIT profes-

sor Eric von Hippel has coined the term "lead users" to describe them, and worked with 3M's healthcare business to develop a system for finding them. The result was an eightfold improvement in revenues from innovations developed with the help of such customers vs. innovations developed by 3M's ordinary, internally developed process.

"What makes this particularly significant, of course, is that 3M's product developers are among the most innovative in the world," says Lee.

**Help customers build social capital.** Why do customers engage so enthusiastically in helping companies develop, market, and sell their products—in effect, growing their businesses? Many pundits think you need an incredibly sexy product like an iAnything developed by a once-in-a-century genius like Steve Jobs. But that misses the point: All it takes is a business that changes customers' lives for the better—which is something far more replicable—even if you're making feminine hygiene products.

What all these companies—and others that Lee features in his book—do is help customers build their social capital by helping them affiliate with their peers in customer communities, build their status and reputation, and learn and grow in the process. Often, they also include service to a larger purpose.

"Enterprise software maker SAS Canada, for example, addressed an unexpected decline in its customer retention rates by engaging some of its leading customers, called 'Customer Champions,' in the effort to hold on to customers and bring the defectors back," notes Lee. "The Customer Champions organized live forums in more than 20 major markets around the country, presented and brought in local speakers, contributed to an e-newsletter that SAS started, and more. The result was to completely restore the firm's retention rates to its previous high levels.

"Why did the Customer Champions put forth such an effort?" he adds. "Because it gave them a chance to affiliate more deeply with their peers—other software managers and engineers. It gave them a chance to play a leadership role in their peer community. It gave them substantial status and recognition as well. And of course, it increased their knowledge and expertise by more deeply understanding how to address the needs of other SAS customers."

If you think all of this sounds more appealing than the old manipulate-them-into-buying techniques, you're not alone, says Lee.

"When companies commit to *continued on page 37*

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High Desert Report - A Quarterly  
Economic Overview  
**Town of Apple Valley City Update**  
*By Orlando Acevedo, Economic Development  
Manager*

**Get a Slice**

The town of Apple Valley continues to carry forward its economic development objectives. A team led by Town Manager Frank Robinson recently exhibited an Apple Valley booth and marketed a number of available commercial properties at the International Council of Shopping Centers retail conference in San Diego. The list of hot properties included a 40,000-square-foot former Ralphs' grocery store in the geographic and civic center of town; the Fountains at Quail Ridge, a planned mixed-use center at a major intersection along the Yucca Loma Bridge Corridor; and, finally, a prime 4,300-square-foot restaurant on a 47,000 square foot site, for lease at the most successful non-freeway intersection in the region, at Bear Valley and Apple Valley roads.

Proving the local retail market is rebounding, Jess Ranch Marketplace recently confirmed the regional commercial center has attracted the high desert's first Ulta, a beauty retailer with nearly 500 stores nationwide. The 10,000-square-foot store will open adjacent to Best Buy, Bed Bath and Beyond, Cinemark Theaters, and 24 Hour Fitness and will feature skin and hair care, cosmetics, fragrances, and a full-service salon. In addition, a new Denny's restaurant will soon open adjacent to Red Robin. Dollar General recently held its grand opening, one of the first seven to open in California, in a neighborhood lacking grocery and general merchandise stores.

As Walmart Supercenters open around the High Desert, a court challenge still remains regarding Apple Valley's approved store. Although a firm start date has not been set, the store is expected to open in 2013 on Dale Evans Parkway directly across from Lewis Retail Center's Apple Valley Commons, anchored by Super Target. Randall Lewis, EVP of sales and marketing, 31 recently interviewed in Globe Street, said of the close proximity of these two retailers, "It's definitely a positive because it will bring more retail (critical mass) to the intersection, and we expect that it will also attract new customers from some of the outlying areas of the High Desert, such as Barstow, which should help create new tenant interest in Apple Valley Commons from those retailers looking for a more regional draw. As a side note, this is also a relocation of an existing Walmart that is currently across the street from our center."

During the last seven years the town attracted more than 3.5 million square feet of new retail, created by leading development companies, including Lewis Retail Centers and Malcom Riley and Associates. Most recently, Apple Valley has seen eight consecutive quarters of sales tax revenue growth and since July 2011 issued 110 certificates of occupancy for new establishments, improvements, and expansions.

**Yucca Loma Bridge**

While the dissolution of redevelopment agencies in California was a potential roadblock to this key piece of the High Desert regional transportation plan, Apple Valley was successful in keeping the funding intact. Although some details remain to be finalized with state and county agencies, the town expects to award the contract for construction management in October 2012. The next steps will be the approval and issuance of bid documents.

Once under construction, the \$31 million dollar Yucca Loma Bridge over the Mojave River will

*continued on page 37*

**Budgetary...**

*continued from pg. 31*

right now.

Business investment, which normally contributes strongly in a recovery, would likely be stronger, too. It has averaged zero this year, in part because small businesses, which account for virtually all of the net job growth in the economy, have been hunkered down. Their mood is reflected in that a very small percentage of small businesses surveyed by the National Federation of Independent Business think this is a good time to expand.

It seems pretty clear that the only real path to a stronger economy is to get some policy clarity. Again, we can only hope Washington gets fixed in 2013 what it couldn't get fixed in 2010, 2011 or 2012.

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all the policy uncertainty we've had, unemployment would be about 2 percentage points lower

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RESTAURANT REVIEW

Waffles Are the New Buns

By Ashley Bennett (Inland Empire Weekly)

Bruxie reinvents the waffle and there’s no way you’ll be able to pick just one.

You can eat a breakfast biscuit or dainty lemon tart in its regular form but there’s a world of difference when waffles replace the buns and biscuits of an otherwise normal meal. Bruxie has promoted the waffle from its previously limited career as a breakfast item soaked with maple syrup. While we hate to admit that the idea originated outside of the IE in Old Town Orange, the illuminated culinary greatness of gourmet waffle griddling goes to none other than Dean Simon and Kelly Mullarney. Is the use of waffles in place of bread a sign of the apocalypse? If it is, who cares; these waffle sandwiches are addicting.

The Bruxie location that we

can call our own is in Chino Hills, now operating in what used to be a Johnny Rockets. The only thing shared between the two franchises is the recreated memories to diners of old. While Johnny Rockets forced its employees to dress like ’50s busboys, Bruxie brings you back solely with the taste. Back before Coke and Pepsi were mainstream, a simple “cola” would successfully quench your thirst. Now you take gulp of a carbonated drink today and you’re rewarded only with a lingering and unpleasant aftertaste. To solve this problem, Bruxie hires local artisans to make Old Fashioned Pure Cane Sugar Sodas in the flavors of cola, diet cola, orange, lemon-lime, vanilla cream, root beer and a current new addition, grape. Bruxie’s cola tastes how I imagine mod-

ern-day Coca-Cola should when I watch the company’s Christmas commercials. Add a scoop of Bruxie’s exclusive Wisconsin Frozen Custard and you get an equally sweet float.

Bruxie’s food menu on the other hand mixes the old with the new. While drinks send you back in time, the main dishes will force you into a waffle-loving future. I was lucky enough to get to try a bit of Bruxie’s breakfast, lunch, dinner and dessert inspirations prior to its grand opening. One the strongest of the group is the Green Eggs and Ham with a bright green arugula pesto sauce covering the top of a jumbo-sized egg and beneath that, a few thick slices of cooked ham (is a throwback to generations of

Seuss-lovers). Don’t worry; the ham is still pink like it should be. The light, unsweetend waffle holds its crunch pretty well against the thin pesto sauce and soggiess won’t set in because everything will be eaten way before it gets the chance.

Even more exciting than reimagined breakfast waffles are the desserts. Honestly, dessert will always blow everything else out of the water. The Lemon Cream & Berries is a tantalizingly tart waffle dish. I’d cave for a Nutella and Bananas or S’mores Bruxie any day but the Lemon Cream Bruxie is more than just a sideline dessert. Described as housing an “intense lemon cream,” from the first bite to the last you’ll taste a

*continued on page 39*

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FINANCIAL NEWS & TALK



## Brand You

By Ruben Estrada

Sounds simple doesn't it? The trouble is that often when we look at our branding strategy we put our products and our service in front of us. Ultimately, of course, the product or the service is what our customers receive.

But a lot of companies offer similar products and services. Do you really want to brand your product or your service or should you be branding you? Here is a great example. Think about Nike. Think about their brand. Ask yourself, what is a Nike? It is certainly not the name of a product or a service, but their brand has become one of the most recognizable in the world. We know from the brand that they sell sports clothing and equipment. Obviously, they've done a good job branding Nike.

Here's a tip: Look again at your Branding Strategy. Are the image and language you use focused on your products and services, or are you branding you? Take a fresh look at the messages you're sending out through your e-mails, pushing out through your marketing collateral, even what your sales people might be saying. Make sure that what your customers hear leaves them knowing you. If they know you, they will have no trouble remembering what it is you do and what you sell.

## Real Estate...

*continued from pg. 30*

ated with the tax environment, the risk of a double-dip recession, and general unease about an uncertain fiscal policy in light of the potentially inflationary impact of the current monetary policy contribute to an aura of uncertainty that makes real

estate decisions particularly difficult, even for those intrepid individuals who somehow chose to make their living in this field.

One thing that makes this recession different from previous ones is that heretofore we generally relied on the housing market to lead the country into an economic recovery. Because of efforts through the

## Sponsorship is a Business Expense—Charity is a Philanthropic Initiative

However, it's good to let your sponsor know how funding your charity will help their business.

**1. Cause-Related Marketing Benefit** Social responsibility is really social opportunity. People like to buy from companies that give back to their communities. Do your research because sponsors have different approaches to philanthropy. Some companies do only one yearly charity event and others build their charitable partners into every part of their company DNA.

**2. Promotional Opportunities** The sponsor can do promotions with your charity by selling specific items to raise money, spotlighting your charity on their Internet, social campaigns and marketing. In turn, your charity can also promote the sponsor to your followers and donors.

**3. Strategic Alliances** Sponsors can introduce your charity to key players in funding and you can introduce the sponsor to influential people in your industry.

Community Reinvestment Act and encouragement of Fanny Mae and Freddie Mac, we induced marginal buyers into real estate ownership prior to the recession. The reservoir of pent-up demand represented by potential first-time homebuyers was severely eroded and is not readily available to stimulate an economic recovery associated

with lower interest rates and more moderate-priced housing. Significant portions of the housing market (which is the largest proportion of the real estate market) have been overexploited because of the interference of government policy, making this recession atypical relative to past experience. Basically, we have already shot that arrow and

no longer have it in our quiver. This implies that the recovery is likely to continue to be slow, and that the real estate market will not begin to be vibrant for quite some time. Opportunities, therefore, will continue to be in rearranging real estate assets better to conform to the demand profile or exploiting market imperfections associated with limited understanding of the characteristics of demand and supply for real estate product. Raw demand is not likely to drive a strong real estate market for a number of years.

APPENDIX E  
RESIDENTIAL BUILDING PERMIT SUMMARY (UNITS)  
HIGH DESERT AREA

Subarea	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	Jan-11 Jul-12
Adelanto															
Single Family	11	0	0	96	327	367	900	1,101	329	307	1	26	54	24	2
Multi-Family	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	11	0	0	96	327	367	900	1,101	329	307	1	26	54	24	2
Apple Valley															
Single Family	278	323	277	362	542	641	1,019	1,349	904	149	56	43	67	22	23
Multi-Family	96	40	0	0	0	3	0	184	14	16	18	0	12	0	0
Total	374	363	277	362	542	644	1,019	1,533	918	165	74	43	79	22	23
Hesperia															
Single Family	188	212	210	539	463	1,034	1,478	1,760	1,051	402	189	2	2	0	0
Multi-Family	89	0	0	13	0	54	128	222	111	48	66	0	67	0	0
Total	277	212	210	552	463	1,088	1,606	1,982	1,162	450	255	2	69	0	0
Victorville															
Single Family	200	315	390	637	986	2,103	2,699	2,249	3,016	1,090	196	250	283	112	61
Multi-Family	116	82	12	0	100	176	82	130	228	459	224	0	0	40	205
Total	316	397	402	637	1,086	2,279	2,781	2,379	3,244	1,549	420	250	283	152	266
Unincorporated North Desert															
Single Family	340	408	323	362	274	757	1,193	1,222	1,115	556	119	61	48	35	24
Multi-Family	0	0	0	8	0	0	18	0	0	0	4	4	0	0	0
Total	340	408	323	370	274	757	1,211	1,222	1,115	556	123	65	48	35	24
Subtotal															
Single Family	1,017	1,258	1,200	1,996	2,592	4,902	7,289	7,681	6,415	2,504	561	382	454	193	110
Multi-Family	301	122	12	21	100	233	228	536	353	523	312	4	79	40	205
Total	1,318	1,380	1,212	2,017	2,692	5,135	7,517	8,217	6,768	3,027	873	386	533	233	315
Barstow															
Single Family	3	1	0	0	7	2	34	68	48	75	32	3	11	6	38
Multi-Family	0	0	0	0	81	0	81	10	0	0	0	0	0	0	0
Total	3	1	0	0	88	2	115	78	48	75	32	3	11	6	38
Total															
Single Family	1,020	1,259	1,200	1,996	2,599	4,904	7,323	7,749	6,463	2,579	593	385	465	199	148
Multi-Family	301	122	12	21	181	233	309	546	353	523	312	4	79	40	205
Total	1,321	1,381	1,212	2,017	2,780	5,137	7,632	8,295	6,816	3,102	905	389	544	239	353

Source: San Bernardino County Land Management Department, Office of Building and Safety; Bureau of the Census - Construction Statistics Division.



MANAGER’S BOOKSHELF

“Into the Storm: Lessons in Teamwork From the Treacherous Sydney to Hobart Ocean Race,”

By Dennis N.T. Perkins with Jillian B. Murphy; AMACOM, New York, New York; 2012; 272 pages; \$24.95.

A truly unusual book about business, “Into the Storm” offers the team-building lessons that can be learned from wind-powered yacht racing, in this case the 1998 race from Sydney, Australia to Hobart, Tasmania. This race has always been a difficult one. Although this race had earned the nickname of the “Mt. Everest of boat racing” early in its history, the 1998 race gave the nickname new and deadly meaning. Author Dennis Perkins points out why quite clearly:

“The 1998...Race proved to be the most perilous in the event’s 65 year history. As the fleet sailed down the coast of Australia, boats were hit by an unexpected weather bomb—a massive storm that created 80-foot waves and 92-knot...winds.”

While many crews tried to maneuver around the storm, the 35-foot AFR *Midnight Rambler* chose to head directly into its path. After battling mountainous waves and hurricane force winds in the Bass Strait, the tiny boat arrived in Hobart, three days and sixteen hours later.

“Their decision to head into the eye of the storm—along with extraordinary tenacity, optimism, courage, and teamwork—enabled this crew of amateur sailors to beat professionals on much larger and better financed boats. The skipper, Ed Psaltis, and his crew of six were proclaimed the Overall Winners and awarded the coveted Tattersall’s Cup. They were the smallest boat in 10 years to win the race.”

While nearly everyone else focused on the storm, the

deaths, and missing boats, author Perkins concentrated on how skipper Ed Psaltis survived and won. The result is that his book is primarily divided into parts. The first half is a very fine adventure tale that also explains how Psaltis put his team of six together so that they survived an incredibly destructive storm to become Overall Winners.

The second part of the book concentrates on how wise leaders put teams together and assure that they work together no matter how difficult a situation may be.

Surprisingly, this second section takes a thorough look at several factors, including the one everyone thinks of first: the “flipping coins” factor: pure luck. The author puts this way:

“To win...in a hurricane, the team would have had to flip those coins for 700 miles in Force 12 hurricane conditions. And they would have to keep winning the coin toss for a decade. In any particular race, of course, there is an element of chance, and other boats were close competitors....But it is this sustained record of success in difference racing conditions and different time periods that gives me confidence that they are doing much more than capitalizing on chance.”

In Part Two of the book, Perkins elaborates on 10 strategies that are essential to developing effective teams. These are:

- “Strategy #1: Make the team the rock star
- “Strategy #2: Remove all excuses for failure
- “Strategy #3: Find and

focus on the winning scenario

“Strategy #4: Build a gung-ho culture of learning and innovation

“Strategy #5: Be willing to sail into the storm

“Strategy #6: Cut through the noise of the wind and the waves

“Strategy #7: Find ways to share the helm

“Strategy #8: Step up to conflict—and deal with the things that slow you down

“Strategy #9: Master the art of rapid recovery

“Strategy #10: Never give up—there’s always another move”

As a final point, Perkins looks at the role of the team leader. It’s short and sweet, but equally important: “The leader needs to set the example.”

There are many books on building teamwork, but very few are as interesting and as effective as “Into The Storm.” It’s a banquet of ideas for the price of a good lunch.

-Henry Holtzman

Best-selling Business Books

Here are the current top 10 best-selling books for business. The list is compiled based on information received from retail bookstores throughout the U.S.A.

1. “**The Energy Bus: 10 Rules to Fuel Your Life, Work, and Team with Positive Energy,**” by Jon Gordon (John Wiley & Sons...\$21.95)(1)\*  
How to motivate individuals and build them into successful teams.
2. “**Clients First: The Two Word Miracle,**” by Joseph and JoAnn Callaway (John Wiley & Sons...\$21.95)(4)  
Why and how to putting your clients first helps build success.
3. “**Why I left Goldman Sachs,**” by Greg Smith (Grand Central Publishing...\$27.99)(6)  
The reasons why a top manager resigned from a leading firm. (6)
4. “**Reverse Innovation: Create Far From Home, Win Everywhere,**” by Vijay Govindarajan and Chris Trimble (Harvard Business Review Press...\$30.00)(2)  
How to make innovation happen in emerging markets.
5. “**Bailout: An Inside Account of How Washington Abandoned Main Street While Rescuing Wall Street,**” by Neil Barofsky (Free Press...\$26.00)(3)  
How and why TARP saved banks while abandoning everyone else.
6. “**Three Simple Steps: A Map to Success in Business and Life,**” by Trevor Blake (BenBella Books...\$12.95)(3)  
Why some people succeed in any economic conditions.
7. “**Leading Culture Change in Global Organizations: Aligning Culture and Strategy,**” by Daniel Denison, Robert Hooijberg, Nancy Lane, and Colleen Lief (John Wiley & Sons...\$34.95)(9)  
How and why business culture impacts on business performance.
8. “**It Worked for Me in Life and Leadership,**” by Colin Powell (with Tony Koltz)(HarperCollins Publishers...\$27.99)(8)  
How to succeed in the workplace and elsewhere.
9. “**Unintended Consequences: Why Everything You’ve Been told About the Economy is Wrong,**” by Edward Conard (Penguin Group...\$27.95)(8)  
An explanation why economic planning rarely works as planned.
10. “**Steve Jobs,**” by Walter Isaacson (Simon & Schuster...\$35.00)(10)  
The story of a modern Thomas Edison.

\*(1) -- Indicates a book’s previous position on the list.  
\*\* -- Indicates a book’s first appearance on the list.

## California Is...

*continued from pg. 20*  
billions of dollars from companies under the guise of “Cap & Trade.” And what are they going to do with all this new-found money? Are they going to pay down the deficit or restore K-12 funds? No. Instead, the Governor just signed AB1532, removing all constraint on how those funds can be used. No constraint. That describes the legislature’s actions through the last session. AB1532 is a recipe to fund every hare-brained scheme and pet project they can dream up, all under the guise of reducing greenhouse gasses.

The inescapable reality in California is that no matter what business you are in, government, not greenhouse gas, is the greatest threat to your livelihood. The good news is that we can change our government. The founders created a peaceful process of revolution that takes place every two to four years. Beginning in November 2012, I believe the people will confound the experts and reject these wrong-headed policies that threaten to strangle our state.

## Apple Valley...

*continued from pg. 33*  
take approximately 24 months to complete. With the required improvements to Yucca Loma Road and Yates Road scheduled to be completed simultaneously with the new bridge, opening day should occur in 2015.

## Duct Tape...

*continued from pg. 10*  
would you?  
If I want to build a house, I’m going to call a guy who builds houses, not a guy who paints them.

So, when is it time to redesign? If your site isn’t selling, it’s possible that tweaking the content, navigational tools or other elements will help. But before you decide a paint job is the answer, consult a web developer, who can provide an objective opinion based on quantifiable data.

When is it time to build anew? If your site is broken or outdated, it may be time to tear it down to the studs and start fresh, using all the new wisdom and whirligigs that have become available just in the past five years or so.

In either case, I suggest staying away from the duct tape.

*For additional information visit [www.leftbraindigital.com](http://www.leftbraindigital.com).*

## The End of...

*continued from pg. 32*  
depending on authentic customer advocacy to grow their firms, it not only improves their marketing results, it also improves their organizations,” says Lee. “That’s because it’s hard to mask substandard performance and customer discontent with your products and services if they’re the ones you rely on to tell the world how great you are.”

## Ways to...

*continued from pg. 18*  
ee, you protect the majority of those that are performing well from a smaller group that could persuade them to lower performance across the board or distract the higher performers.

Picture yourself three to six months from now after experimenting with these three recommendations. Not only will you have a plan for all performers but you will have dedicated more time, energy and resources to those performers with the greatest payoff. Your time is precious; you can only focus on so much. You have to be selective about what you focus upon. You have to prioritize. Be sure to do this when you are managing performance in your company and feel confident that your investment will pay off for you, your company and your customers.

*For more information or to contact Dr. Martin, please visit his website at [www.drmarty-martin.com](http://www.drmarty-martin.com).*

## The Top 5...

*continued from pg. 27*  
most decision-makers, you can analyze your decision with a new perspective and make the best choice for you, your organization, and your future.

*To learn more about Mike Menard please visit [www.afishinyourear.com](http://www.afishinyourear.com).*

## Victorville...

*continued from pg. 6*  
the former site of Gottschalks in 2013.

### Southern California Logistics Airport

Southern California Logistics Airport continues to grow as the largest development project in the region. Several tenants have extended their lease agreements to remain in Victorville, including Leading Edge Aviation Services, Boeing, and the U.S. Army National Training Center. The Air National Guard also completed construction on a state-of-the-art \$5 million hangar in June for its MQ-1 Predator program.

### Future Growth

The future is even brighter for Victorville. Next year, SANBAG and CalTrans are expected to complete construction on the Nisqualli/La Mesa/Interstate – 15 interchange, alleviating traffic on other major thoroughfares in Victorville and nearby cities. Another very exciting development that will impact Victorville and the surrounding communities is the construction of a new hospital. St. Joseph, St. Mary just broke ground on construction of a \$260 million facility that will include 128 beds and a level 3 trauma center. This will be the first trauma center in the Victor Valley and the only one between the San Bernardino Valley and Las Vegas.

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No Money, No...

*continued from pg. 29*

off the bat, they can chalk up a win because they’ve saved money, and you can too because you’re ahead of

your bills.

“This strategy continues to pay off over time, too,” promises Houlihan. “Say a buyer has just received a large shipment of your product. Chances are, he or she will want to put them on special and advertise them in order to sell them faster. After all, until the products are sold, they’re just taking up valuable warehouse space. It’s easy to see how this benefits both parties: Your product becomes more visible and (hopefully) draws in new repeat customers, and the retailer makes money from sales. Now that you and the customer are smiling, you can start the process over again.”

**Sell your product overseas.** “Going international” with your product is another good way to make cold, hard cash that you can then reinvest into your business. Giving credit to overseas buyers is so risky due to legal challenges, so most international transactions are cash sales based on a signed ocean-going bill of lading through a letter of credit. It’s kind of like an escrow account where you get paid when the buyer takes possession.

“Admittedly, this strategy will take a significant amount of research and preparation up-front,” says Houlihan. “But if you determine that selling your product overseas is a viable option, your work can pay off big time. Remember, the trick to juggling payables and receivables is timing. If you have negotiated longer terms with your suppliers, you can actually get paid through international sales before you have to pay your own bills. And if you can negotiate it, you can then pay the supplier earlier for a discount.”

**Produce just-in-time inventory.** Just-in-time inventory is (as the name suggests) a product that is produced just in time for the sale rather than one that is produced ahead of time and stored in a warehouse. The advantages of this strategy are obvious. First, you don’t have to spend as much money up-front creating a product stockpile. Second, if you play your cards right, you won’t have to spend money renting or buying storage space.

“Third, if you are able to get a purchase order from your customers up-front, you can manufacture only the amount of product that will be sold, thus keeping you from wasting money on excess production,” adds Houlihan. “If an up-front purchase order isn’t practical, operate with the minimum inventory you need to satisfy your customers, assuming a reasonable growth factor that you reassess every month.

“At Barefoot, we bottled our wine just before it was shipped so that we didn’t have numerous cases waiting for orders and racking up storage costs,” he explains. “By the time the wine was bottled, we knew it would be paid for and shipped quickly.”

**Ask a lot of questions.** When you’re starting a business with a tight budget, you literally can’t afford to make mistakes—and that means there’s no such thing as a dumb question. Before making any kind of commitment that will cost you money, ask lots of questions (and then ask some more) ahead of time until you’re sure you’re moving in the right direction. You’ll save money because you aren’t guessing or making incorrect assumptions. For instance, Houlihan and Harvey asked many questions so basic that many in the industry had stopped thinking about them: Which demographic buys the most wine? How do you sell it? How does this work?

The answers allowed them to get a fuller picture of the wine industry than many longtime professionals had, explains Houlihan. He and Harvey learned that it would be smart to aim for supermarket customers who wanted a solid, reliable wine, but who were put off by fancy labels and French terminology.

“We asked questions on a more granular level too,” he says. “I’ll never forget asking one supermarket chain’s gruff wine buyer what

E-Commerce...

*continued from pg. 9*

owners without an asset protection plan in place prior to 2008 were out of luck when their life savings,

homes, real estate and other wealth were jeopardized by creditor lawsuits. The best advice for e-commerce business owners is to be proactive – the threat of a suit can bring a business to its knees and the best way to protect themselves is to practice financial self-defense and lawsuit-proof their assets.

- **Decide whether or not to re-title their assets, what entity formations to use, and whether equity stripping is appropriate for assets still inadequately protected.** Only non-exempt assets need to be re-titled. Exempt assets are those that cannot be seized in the event of a judgment. All non-exempt assets should be re-titled as exempt assets and/or transferred to more protected entities such as a Limited Liability Company, Limited Liability Partnership or Family Limited Partnership, to name a few. Each entity has its own advantages and disadvantages and each person may have specific needs that make one of these entities more advantageous than the others. Alternatively, these assets can be titled to either domestic or international trusts. International trusts, such as the NEVIS trust, are especially protective because the laws of most preferred international trust locations favor the owner of the trust over creditors. Any unprotected assets can be stripped of their equity. For example, taking out a loan on a home that the client owns free and clear would make them more undesirable to a creditor than if they had full equity in the home.

- **Implement the plan and maintain the protection over the years.** Asset protection plans should be reviewed at least once a year and whenever there is a potential for litigation. Also, integrating an estate plan into an asset protection plan is essential because an unexpected death intestate could tie up an estate in litigation for years.

Asset protection is important for all business owners in today’s litigious society. E-commerce businesses are even more vulnerable to lawsuits and potentially have more assets to protect. Business owners should enlist the assistance of an asset protection attorney to create, implement and help maintain a lawsuit-proof plan, and they should have an estate plan as well.

our logo should look like. He told me, ‘Don’t make it a hill or a leap or a run or a valley or a creek...Don’t put a flower on it. And for crissakes, don’t make it a chateau. Make the logo the same as the name...And whatever you do, put it in plain English...And, Houlihan, make it visible from four feet away. [The shopper] has to be able to see it when she’s pushing her cart down the aisle. Now get outta here. I got work to do.’

“Turns out, that advice was solid gold, and I didn’t have to pay a dime for it,” adds Houlihan. “All I had to do was ask a question.”

“Ultimately, launching and growing a successful business isn’t so much about how much money you have as it is about identifying the resources you have and using them as effectively as possible,” concludes Houlihan. “And once you do build up momentum, the cost-saving measures and innovations that helped you to survive in the early days will help your company to continue to operate as efficiently and effectively as possible.”

About the Authors:

Michael Houlihan and Bonnie Harvey, authors of “The Barefoot Spirit: How Hardship, Hustle, and Heart Built a Bestselling Wine,” started the Barefoot Wine brand in their laundry room in 1986, made it a nationwide bestseller, and successfully sold the brand to E&J Gallo in 2005. Starting with virtually no money and no wine industry experience, they employed innovative ideas to overcome obstacles and create new markets.

## Waffles Are The...

*continued from pg. 34*

strong zing akin to the first sip of less-than-sweet lemonade (but in a much more pleasant way). Lightly gooey on the inside and littered with seasonal blackberries, strawberries and powdered sugar, this sweet waffle is worth every bite.

There are no online or over-the-phone orders which will force you to crave a waffle dish so much that you won't be able to resist driving out to Chino Hills to get it yourself. Bruxie seems to be doing everything right; it's got a good crew, knowledgeable owners, and the bonus of creative and delicious menu items that work so well with waffles. Start holiday shopping and grab a waffle from Bruxie while you're in the area. The cola will certainly help bring you back to the days when Santa made sure that there was no bad aftertaste following a drink.

*Bruxie, 13865 City Center Dr., Chino Hills, (909) 334-4162; [www.bruxie.com](http://www.bruxie.com). Open 8am-9pm. AE, D, MC, V.*

## CDSA Inland...

*continued from pg. 19*

The other honoree for PVW is a business partner in Supported Employment. PVW has an enclave of three consumers and one job coach at the Chino Hills Government Center. The group performs janitorial and portering services Monday through Friday and keeps these beautiful city government buildings sparkling. Accepting on behalf of Chino Hills Government Center was Sean O'Connor.

## Why I Despair...

*continued from pg. 28*

is a one-way ratchet, and its size and intrusion are almost never retrenched. Thomas Jefferson wrote in 1788 that "the natural progress of things is for liberty to yield, and government to gain ground." "A government bureau," added Ronald Reagan, "is the nearest thing to eternal life we'll ever see on this earth."

How true these words are. Mrs. Thatcher, fittingly lionized by those on the right, certainly achieved a lot. But she could do nothing about Britain's creaking welfare system or its antediluvian National Health Service. Nobody can. Nobody would even try. (Consider what an Augean task it is even to get people seriously to discuss Medicare's disquieting trajectory.) Mrs. Thatcher's party is well named: They are, quite literally, the "Conservatives," and their role now is simply to run the government better than the socialists. Britain once had an Empire that stretched across one quarter of the globe; it provided the world with a common language, many of its institutions, global trade, and cricket; we did Great Things at home and abroad. Now, we wrangle over whether state spending should be 39 or 40 percent of GDP, and we hold the prime minister personally responsible for hospital conditions hundreds of miles from London. It's debilitating. Once upon a time, when civic society flourished in Britain, it was uncontroversial to observe that to demur at government involvement in the achievement of an end was not necessarily to consider that end undesirable. Under Leviathan, such distinctions draw blank stares. In 2010, on the BBC's Question Time — a British current-affairs show on which the guests trip over one other to display the appropriate degree of fealty to whichever orthodoxy is in the news that week whilst the audience tries to be as clever as one can be without doing any reading — the question of impending government spending cuts was raised. One audience member stood up and, waving her hands around, asked who would mow her elderly mother's lawn if the government no longer did it. The audience clapped. The host looked serious. Not a single person on the panel said, "You!" Neither of the putatively Conservative guests even raised an eyebrow. A particularly oleaginous MP proceeded to tell her that it was a "good question." I threw a coffee cup at my television.

## California...

*continued from pg. 5*

requests. Further, employers should make sure to calendar both the three-year retention requirement for personnel records and the thirty day deadline for responding to an employee's inspection/copy request. For the retention of records, employers may want to consider retaining personnel records for more than three years, as some causes of action have a longer statute of limitations.

If you have any questions regarding this update, please contact the Sidley lawyer with whom you usually work.

### The Employment and Labor Practice of Sidley Austin LLP

Our Employment and Labor Practice has decades of experience in litigating virtually all types of employment and traditional labor claims before federal and state courts and agencies, ranging from single-plaintiff cases to complex class actions. We also provide comprehensive counseling to our clients on a wide variety of employment and labor issues.

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"In August 1914," wrote the historian A. J. P. Taylor, "a sensible, law-abiding Englishman could pass through life and hardly notice the existence of the state, beyond the post office and the policeman. He could live where he liked and as he liked. He had no official number or identity card." A century later, he does not even expect to have to tend to his own family's garden. That's some shift in the Overton window. I quite earnestly believe in all of the stuff that I'm not supposed to. I believe that America is exceptional; that it is an objectively better nation than any other that has ever existed; and that it is, as it was explicitly designed always to be, the last, best hope for mankind. As Winthrop's sermon poetically put it, America is the "Shining City upon a Hill," there so that men without liberty have somewhere to turn and a light that they might follow. I followed that light—3,500 miles from my friends and my family—because I believed that my life would be better here, because I wanted to be free, and because I felt that under American liberty I would be able to be myself more honestly and more fully. There is nowhere else I could have gone. Alas, there is nothing written in the stars that says that America will always be America. "Rome," as Joseph Heller brutally reminded us, "was destroyed, Greece was destroyed, Persia was destroyed, Spain was destroyed. All great countries are destroyed. Why not yours? How much longer do you really think your own country will last? Forever? Keep in mind that the earth itself is destined to be destroyed by the sun in 25 million years or so." There will be little virtue in America if it becomes a larger version of Britain, but with free speech and the right to bear arms.

On Tuesday, America took another giant leap away both from its revolutionary mission and from the classical liberalism that it has successfully incubated for so long. This is a rotten thing for America, and also—though it might not realize it—for the world; for, like Anthony Blanche, Evelyn Waugh's "aesthete par excellence," should the United States descend into the mire, it will "take something away with it." If America ceases to be America, it will "[lock] a door and hang the key on a chain." And then? "All [its] friends, among whom [it] had always been a stranger," will realize they need it. I know I do.

*The views expressed in the above opinion do not necessarily reflect the political opinions of the Inland Empire Business Journal or any of its staff. Comments are welcomed, send to [williamj@busjournal.com](mailto:williamj@busjournal.com). Note: Managing Editor does not agree with this opinion.*



NEW BUSINESS *County of San Bernardino*

**ACE COURIER & TRANSPORT**  
2764 COTTONWOOD TR.  
ONTARIO, CA 91761

**AIR-TECH SERVICES**  
11253 G AVE.  
HESPERIA, CA 92345

**BAILA FITNESS II**  
128 W BASELINE RD.  
RIALTO, CA 92376

**BILL FOX ALL INCLUSIVE VACATIONS**  
21999 VAN BUREN ST.  
GRAND TERRACE, CA 92313

**BLACKSTONE REALTY**  
8311 HAVEN AVE.  
STE. 180  
RANCHO CUCAMONGA, CA 91730

**BLANCA’S AUTO ACCESSORIES**  
16309 MERRILL AVE.  
FONTANA, CA 92335

**BOKISO**  
11660 CHURCH ST.  
STE. 10  
RANCHO CUCAMONGA, CA 91730

**COOL CASH**  
8875 FOOTHILL BLVD.  
RANCHO CUCAMONGA, CA 91730

**DTO EXTREME**  
13407 GOLD DUST WAY  
CHINO HILLS, CA 91709

**ECHARM INTERNATIONAL**  
6872 ARIZONA AVE.  
JOSHUA TREE, CA 92252

**ELEMENTS OF CHANGE ACADEMY OF MARTIAL ARTS**  
2440 W. ARROW RT.  
STE. 4C  
UPLAND, CA 91786

**ELITE BULB**  
865 S MILLIKEN AVE,  
STE. G  
ONTARIO, CA 91761

**EXOTIC IRON**  
55850 SHANNON RD.  
LANDERS, CA 92285

**GREEN TECH COLLISION CENTER**  
1800 W. 11TH ST.  
UPLAND, CA 91786

**HEADZ UP BEAUTY & BARBER SHOP**  
15752 MOJAVE DR.  
STE. A  
VICTORVILLE, CA 92394

**IGLESIA RIO DE AGUA VIVA**  
241 BASELINE ST.  
STE. E & F  
RIALTO, CA 92376

**IMPERIAL RESOLUTIONS**  
13541 ANOCHECER AVE.  
CHINO HILLS, CA 91709

**JCB SERVICES**  
1340 N. CHAFFY CT.  
ONTARIO, CA 91762

**JERSEY MIKES**  
10040 ALABAMA ST.  
STE. D  
REDLANDS, CA 92374

**KASCH GRAPHICS**  
1245 N. FITZGERALD AVE.  
STE. 101  
RIALTO, CA 92376

**KING MOTORS**  
8452 HOOVER CT.  
OAK HILLS, CA 92344

**LIGHTHOUSE LENDING**  
8311 HAVEN AVE.  
STE. 180  
RANCHO CUCAMONGA, CA 91730

**LITTLE DARLIN’S CONSIGNS**  
33359 YUCAIPA BLVD.  
YUCAIPA, CA 92399

**LITTLE JOE HAIR DESIGNS**  
259 W. BLOOMINGTON AVE.  
RIALTO, CA 92376

**MARCELLE & ASSOCI-ATES, INC.**  
1549 SOUTH LAUREL AVE.  
ONTARIO, CA 91762

**MARTINEZ MOTORS**  
8452 HOOVER CT.  
OAK HILLS, CA 92344

**MARTINS DISTRIBUTION**  
594 E JAMES ST.  
RIALTO, CA 92376

**MONEY STOP**  
8875 FOOTHILL BLVD.  
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**MOONLIT ROSE**  
22141 MAVIS ST.  
GRAND TERRACE, CA 92313

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15973 AVENAL CT.  
CHINO HILLS, CA 91709

**PARAME INVESTMENT INC,**  
7152 MYRTLE PL.  
FONTANA, CA 92336

**POSH RAGZ**  
14998 COBALT RD.  
VICTORVILLE, CA 92394

**SHERICANDO**  
7501 PALM AVE.  
STE. 85  
YUCCA VALLEY, CA 92284

**SIERRA LIQUOR**  
8058 SIERRA AVE.  
FONTANA, CA 92336

**STS KUSTOMS**  
13076 SAN ANTONIO AVE.  
CHINO, CA 91710

**SIGNATURE PROFESSIONAL TRAVELING NOTARY SERVICES**  
9637 LEMON AVE.  
RANCHO CUCAMONGA, CA 91737

**THE MARCHING PODCAST**  
333 N. UNIVERSITY  
STE. 26  
REDLANDS, CA 92374

**TOUCH TRUST SOLUTIONS**  
577 N. D ST.  
STE. 111G  
SAN BERNARDINO, CA 92401

**TREAT ADVENTURES**  
13165 AUTUMN LEAVES AVE.  
VICTORVILLE, CA 92395

**UNLIMITED WORSHIP DANCE STUDIO**  
294 S EUCLID AVE.  
UPLAND, CA 91786

**USANJU**  
790 FERRARI LN.  
ONTARIO, CA 91764

**WAREHOUSE SUPLLIES AND MAINTENANCE**  
4686 EAST AVE.  
RANCHO CUCAMONGA, CA 91739

**YANCY A. MARTIN - FARMERS INSURANCE AGENCY**  
1645 S. RIVERSIDE AVE.  
STE. B  
RIALTO, CA 92376

**1 800 ECHARM**  
6872 ARIZONA AVE.  
JOSHUA TREE, CA 92252

**1000 NIGHTS**  
16940 BEARVALLEY RD.  
STE. A  
VICTORVILLE, CA 92395

**A+ INTERNATIONAL TRAVEL CENTER**  
7900 HAVEN AVE.  
STE. 24  
RANCHO CUCAMONGA, CA 91730

**ASK AUTO DISMANTLERS**  
14639 WHITTRAM AVE.  
FONTANA, CA 92335

**AUREUS ANALYTICAL AGENCY**  
25058 PROSPECT AVE.  
LOMA LINDA, CA 92354

**BACKNTIME**  
11161 ACANTHUS ST.  
PHELAN, CA 92371

**BAOSH WHEELS USA**  
1250 E. ACACIA ST.  
ONTARIO, CA 91761

**BIG BROTHER BAIL BONDS**  
567 E. RIALTO AVE.  
SAN BERNARDINO, CA 92408

**BILL DUNN BAIL BONDS**  
567 E. RIALTO AVE.  
SAN BERNARDINO, CA 92408-1231

**BOOYAA VAPORS**  
8949 9TH ST.  
STE. 150  
RANCHO CUCAMONGA, CA 91730

**CARDENAS**  
2501 E. GUASTI RD.  
ONTARIO, CA 91761

**CARGO LOGISTICS**  
14470 EL CONTENTO AVE.  
FONTANA, CA 92337

**CARTER'S BALLOONS & CANDY CREATIONS**  
12765 SNAKE RIVER DR.  
VICTORVILLE, CA 92391

**CHANO’S CONSTRUCTION**  
16369 ALISO DR.  
FONTANA, CA 92337

**CORONA AUTO REPAIR & MUFFLER**  
996 N. MT VERNON AVE.  
SAN BERNARDINO, CA 92418

**CORRECT NURSING APPAREL CNA**  
9305 MESA VERDE DR.  
STE. B  
MONTCLAIR, CA 91763

**CREATIVE FLEET LEASING**  
13501 BENSON AVE.  
CHINO, CA 91710

**CROSS CULTURAL MARRIAGE & FAMILY COUNSELING CENTER**  
535 WEST STATE ST.  
STE. C  
REDLANDS, CA 92373

**CWV ENVIRONMENTAL SOLUTIONS**  
255 E. 47TH ST.  
SAN BERNARDINO, CA 92404

**DELBERT OLSON ADVERTISING**  
15595 MUSCATEL ST.  
HESPERIA, CA 92345

**ELDER HAVEN DAY CENTER**  
512 E. WILLIAMS  
BARSTOW, CA 92311

**ENDOROL MUSIC GROUP**  
15181 CRANE ST.  
FONTANA, CA 92336

**EXECUTIVE REAL ESTATE MGMT**  
14176 AMARGOSA RD.  
STE. E  
VICTORVILLE, CA 92392

**FAMILY TRANSITION ASSIST**  
11825 VINTON RD.  
PHELAN, CA 92371

**FARMER BOYS RESTAURANT**  
15617 ROY ROGERS DR.  
STE. 301  
VICTORVILLE, CA 92394

**FINE ARTISTS ENTERTAINMENT**  
14568 VANCOUVER AVE  
FONTANA, CA 92336

**FLOWERS UNIQUE**  
10260 CENTRAL AVE.  
MONTCLAIR, CA 91763

**FRA MER**  
9999 FOOTHILL BLVD.  
STE. SP 97  
RANCHO CUCAMONGA, CA 91730

**GETMORE SCREEN PRINTING-VEHICLE WRAPS**  
290 W ORANGE SHOW RD.  
STE. 101  
SAN BERNARDINO, CA 92408

**HANDSOME LOSER MUSIC**  
31757 HILLTOP BLVD.  
RUNNING SPRINGS, CA 92382

**INTRINSIC METALS RECYCLING**  
3681 WALNUT AVE.  
CHINO, CA 91710

**J & J ENTER PRISES**  
6848 PINE AVE.  
TWENTYNINE PALMS, CA 92277

**LMCR PROPERTY RENTAL**  
33776 FAIRVIEW DR.  
YUCAIPA, CA 92399

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8797 ROCHESTER AVE.  
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**QUINTERO TAX SERVICES**  
7161 EAST AVE.  
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RANCHO CUCAMONGA, CA 91739

**RAFA THE WELDER**  
9851 8TH ST.  
STE. G  
RANCHO CUCAMONGA, CA 91730

**RAPID REGISTRATION SERVICE**  
13949 CAMEO DR.  
FONTANA, CA 92337

**BELLA’S FLOWERS**  
527 HAVEN AVE.  
ONTARIO, CA 91761

**REDLANDS PAIN AND HEALTH MANAGEMENT**  
16 NEVADA ST.  
STE. A  
REDLANDS, CA 92373

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2501 E. GUASTI RD.  
ONTARIO, CA 91761

**RIVERSIDE PALMS**  
1062 S. RIVERSIDE AVE.  
RIALTO, CA 92376

**ROSE BLOSSOM CARE**  
25819 AMAPOLAS ST.  
LOMA LINDA, CA 92354

**SEALED WITH A BOW**  
7898 HARIZON ST.  
CHINO, CA 91708

**SELENA'S TIRE'S**  
556 S. DRIFTWOOD AVE.  
RIALTO, CA 92376

**SEND IT**  
10722 ARROW RTE.  
STE. 216  
RANCHO CUCAMONGA, CA 91730

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8282 WHITE OAK AVE.  
STE. 108  
RANCHO CUCAMONGA, CA 91730

**SUPER 99 CENTS PLUS**  
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SAN BERNARDINO, CA 92411

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FONTANA, CA 92337

**THE HANOVER GROUP**  
8250 WHITE OAK AVE.  
STE. 102  
RANCHO CUCAMONGA, CA 91730

**THE TAMBIAN GROUP**  
8459 WHITE OAK AVE.  
STE. 106  
RANCHO CUCAMONGA, CA 91730

**THE TREATMENT CENTRE**  
25805 BARTON RD.  
STE. 107  
LOMA LINDA, CA 92354

**TRI CITY QUALITY SYSTEMS**  
20331 RIMROCK RD.  
APPLE VALLEY, CA 92307

**UNIVERSAL CONTRACTORS**  
1904 CRYSTAL COVE CT.  
REDLANDS, CA 92374

**UNO INCOMETAX**  
17914 FOOTHILL BLVD.  
STE. 1  
FONTANA, CA 92335

**MIKE’S BIKE SHOP**  
4286 EUCLID AVE.  
ONTARIO, CA 91762

NEW BUSINESS

County of San Bernardino

<b>AB'S PARTY RENTALS</b> 2280 W RIALTO AVE. STE. 18 SAN BERNARDINO, CA 92410	<b>CALSTATE SOLAR ENGINEERING</b> 6711 ZIRCON AVE. ALTA LOMA, CA 91701	<b>ELITE HOME INSPECTIONS</b> 56170 TAOS TR. YUCCA VALLEY, CA 92284	<b>HOPE TRUCKING</b> 2501 N. LUGO AVE. SAN BERNARDINO, CA 92404	<b>M &amp; R AUTO GLASS</b> 9406 MANGO AVE. FONTANA, CA 92335	<b>REDLANDS REALTY GROUP</b> 1009 CAMPUS ST. REDLANDS, CA 92374
<b>ABC FORKLIFT TRAINING</b> 5489 SAN BERNARDINO ST. MONTCLAIR, CA 91763	<b>CHERYL EVEY, E.A.</b> 17140 KENTWOOD BLVD. STE. 3 VICTORVILLE, CA 92392	<b>ELITE REALTY &amp; LENDING SOLUTIONS</b> 14263 CALLE DOMINGO VICTORVILLE, CA 92392	<b>INLAND CITIES REAL ESTATE</b> 357 W. 2ND ST. STE. 12 SAN BERNARDINO, CA 92401	<b>M.INK PRINTS</b> 12463 TAMARISK LN. CHINO, CA 91710	<b>ROCKY PLAZA MARKET AND LIQUOR</b> 31583 OUTER HWY 10 STE. 4 REDLANDS, CA 92373
<b>ACE CARPET AND UPHOLSTERY CLEANING</b> 4429 TERRY ST. CHINO, CA 91710	<b>CHINO HILLS AQUATICS</b> 2441 VELLANO CLUB DR. CHINO HILLS, CA 91709	<b>EUNIQUE</b> 8566 CANDLEWOOD ST. CHINO, CA 91708	<b>J.D. YANCEY ENTERPRISES</b> 1479 N. LINDEN AVE. RIALTO, CA 92376	<b>MC WELCO PRODUCTS</b> 6730 SANTA FE AVE. STE. E HESPERIA, CA 92345	<b>ROHR POOL REPAIR</b> 294 ERLACH DR. CRESTLINE, CA 92325
<b>ACS BOOKKEEPING SERVICE</b> 14270 ALDER WOOD LN. CHINO HILLS, CA 91709	<b>CITRUS DONUTS</b> 16115 FOOTHILL BLVD. FONTANA, CA 92335	<b>EXQUISITES: A HANDBAG AND GIFT PLACE</b> 17180 BEAR VALLEY RD. STE. 5C VICTORVILLE, CA 92395	<b>JACKSON HEWITT TAX SERVICE</b> 17140 KENTWOOD BLVD. STE. 3 VICTORVILLE, CA 92392	<b>MTAX BUSINESS SERVICES</b> 17140 KENTWOOD BLVD. STE. 3 VICTORVILLE, CA 92392	<b>RUANCE</b> 521 CAMINO REAL REDLANDS, CA 92373
<b>ADELINA EYES PHOTOGRAPHY &amp; OJOS MAGAZINE, US.</b> 4325 DENVER ST. MONTCLAIR, CA 91763	<b>CONCESSION-DEPOT</b> 4886 MANE ST. MONTCLAIR, CA 91763	<b>GOD BLESS AMERICA SELF STORAGE VICTORVILLE</b> 11622 AMARGOSA RD. VICTORVILLE, CA 92392	<b>JMR TRUCKING</b> 8947 DATE ST. FONTANA, CA 92335	<b>NORTH AMERICA LIVING RENTALS</b> 1300 PRIMROSE ST. STE. 1 UPLAND, CA 91786	<b>SAN BERNARDINO MOTEL</b> 2528 W FOOTHILL BLVD. SAN BERNARDINO, CA 92410
<b>BBG BLANKETS &amp; BLING</b> 11958 ALMOND DR. FONTANA, CA 92337	<b>D.L.G. TOWING</b> 15352 CITRON AVE. FONTANA, CA 92335	<b>HAROLD'S JEWELERS</b> 360 N. D ST. SAN BERNARDINO, CA 92401	<b>JNJ'S MERCHANDISE</b> 16745 CAROB AVE. CHINO HILLS, CA 91709	<b>ONEWAY TOWING</b> 2326 N. SYCAMORE RIALTO, CA 92377	<b>STOREMORE SELF STORAGE VICTORVILLE</b> 11622 AMARGOSA RD. VICTORVILLE, CA 92392
<b>BRAVO AUTO GLASS</b> 17268 SAN BERNARDINO AVE. FONTANA, CA 92335	<b>DESERT BOOKKEEPING</b> 17140 KENTWOOD BLVD. STE. 3 VICTORVILLE, CA 92392	<b>HEALTH HABITAT</b> 27190 HWY 189 BLUE JAY, CA 92317	<b>KODIAK ARCHERY &amp; TAXIDERMY</b> 10018 IVY CT. YUCAIPA, CA 92399	<b>PATRIOT SELF STORAGE VICTORVILLE</b> 11622 AMARGOSA RD. VICTORVILLE, CA 92392	<b>TRUMAR APPRAISALS</b> 1030 N MOUNTAIN AVE. STE. 443 ONTARIO, CA 91762
<b>CA RECYCLING CENTER</b> 25082 E. BASELINE ST. SAN BERNARDINO, CA 92410	<b>EKO-SYSTEM LANDSCAPE SERVICES</b> 9481 DEVON ST. RANCHO CUCAMONGA, CA 91730	<b>HIGH-TECH HOME IMPROVEMENT</b> 415 W. LOCUST ST. ONTARIO, CA 91762	<b>LANIC AEROSPACE</b> 12144 6TH ST. RANCHO CUCAMONGA, CA 91730	<b>PERFORMANCE PHYSICAL THERAPY, INC</b> 10431 COMMERCE ST. STE. A REDLANDS, CA 92374	<b>WINE BARREL LIQUOR</b> 2205 S EUCLID AVE. STE. 1 ONTARIO, CA 91762

NEW BUSINESS

County of Riverside

<b>CORRECTIVE SKINCARE</b> 3683 ADAMS ST. RIVERSIDE, CA 92504	<b>CLEANUP SOLUTIONS</b> 30246 VIA DEL FIERRO MENIFEE, CA 92584	<b>AQUATIC LIFE CREATIONS</b> 2191 W. ESPLANADE AVE. STE. 105E SAN JACINTO, CA 92582	<b>FIVE STAR HOME SERVICES</b> 418 TAVA LN. PALM DESERT, CA 92211	<b>SOUTH VALLEY ELECTRIC</b> 673 CALLE VIBRANTE PALM DESERT, CA 92211	<b>BEST WESTERN PLUS PALM DESERT RESORT</b> 74695 HWY 111 PALM DESERT, CA 92260
<b>ROGERS' GARDENHILL GUESTHOUSE BED &amp; BREAKFAST</b> 21925 GARDEN DR. NUEVO, CA 92567	<b>SELF STORAGE INNOVATIONS</b> 30246 VIA DEL FIERRO MENIFEE, CA 92584	<b>AQUATIC INC.</b> 2191 W. ESPLANADE AVE. STE. 105E SAN JACINTO, CA 92582	<b>COVES LANDSCAPE MANAGEMENT</b> 82290 DEBORAH DR. INDIO, CA 92201	<b>KIDS KORNER CONSIGNS</b> 73625 HIGHWAY 111 PALM DESERT, CA 92260	<b>RED ROOF INN THOUSAND PALMS</b> 72-215 VARNER RD. THOUSAND PALMS CA 92276
<b>G &amp; Y FORKLIFT SERVICE</b> 44489 TOWN CENTER WAY STE. 350 PALM DESERT, CA 92260	<b>KABOB HUTT</b> 165 WASHBURN CR. CORONA, CA 92882	<b>PVC PRODUCTS</b> 25830 BAY MEADOWS WAY MURRIETA, CA 92562	<b>CREATIVE OFFICE INTERIORS</b> 72624 EL PASEO STE. C1 PALM DESERT, CA 92260	<b>R&amp;R HOME REPAIRS AND RENOVATIONS</b> 30815 LAS FLORES WAY THOUSAND PALMS, CA 92276	<b>LEIAMEX</b> 1090 5TH ST. STE. 108A CALIMESA, CA 92320
<b>FIERCEHEART</b> 26855 CHINA DR. SUN CITY, CA 92585	<b>BRONNIKOV METHOD USA</b> 37081 CHERRYWOOD DR. MURRIETA, CA 92562	<b>VIOLET JUNE PHOTOGRAPHY &amp; DESIGN</b> 27488 MURRIETA OAKS AVE. MURRIETA CA 92562	<b>ALL COMM</b> 42920 VIRGINIA AVE. PALM DESERT, CA 92211	<b>PALM DESERT ATHLETIC CLUB</b> 73600 ALESSANDRO DR. PALM DESERT, CA 92260	<b>NOLITA'S KITCHEN</b> 1580 PELHAM PL. RIVERSIDE, CA 92506
<b>QUILT KIT SHOP</b> 13773 TURF PARADISE ST. CORONA, CA 92880	<b>FAST SPANISH</b> 37081 CHERRYWOOD DR. MURRIETA, CA 92562	<b>AMAZING SIGNS</b> 3465 GLASGOW CIR RIVERSIDE, CA 92503	<b>IRON HORSES AUTOS</b> 83711 INDIO BLVD. INDIO, CA 92201	<b>ACE TRANSPORTATION OF THE DESERT</b> 36990 PALMDALE RD. RANCHO MIRAGE, CA 92270	<b>ALCHEMY UNLIMITED</b> 39415 BRIGHTON ST. MURRIETA, CA 92563
<b>SALON MOSELLE</b> 41925 5TH ST STE. 103 TEMECULA, CA 92590	<b>INTEGRAL ENERGETICS INTERNATIONAL</b> 37081 CHERRYWOOD DR. MURRIETA, CA 92562	<b>REDEMPTION UNIVERSITY</b> 3465 GLASGOW CIR. RIVERSIDE, CA 92503	<b>MERIDA'S POOL CARE</b> 31635 AVENIDA EL PUEBLO STE. B CATHEDRAL CITY, CA 92234	<b>ACE DESERT DESTINATION</b> 36990 PALMDALE RD. RANCHO MIRAGE, CA 92270	<b>ARTISAN WEB DESIGN</b> 39415 BRIGHTON ST. MURRIETA, CA 92563
<b>PREMIER PROGRAMMING</b> 8735 CAMINO LIMON RD. CORONA, CA 92883	<b>SMART AUDIO</b> 37081 CHERRYWOOD DR. MURRIETA, CA 92562	<b>FRI GROUP</b> 1860 CHICAGO AVE. STE. I-17 RIVERSIDE, CA 92507	<b>HANDY J'S FLOOR COVERING SERVICE</b> 45500 COLD BROOK LN. LA QUINTA, CA 92253	<b>RAVING ENTERPRISES</b> 43635 RECLINATA WAY INDIO CA 92201	<b>STUCCO SHOP</b> 11995 ZANTAR MORENO VALLEY, CA 92557
<b>DIRECTIONAL DRILLING CONSULTANTS</b> 27476 PROMINENCE RD. SUN CITY, CA 92586	<b>FINANCE WIZARD</b> 16945 OLD LAKE RD. RIVERSIDE, CA 92503	<b>SALAZAR PAINTING</b> 22795 CALLAWAY RD. PERRIS, CA 92570	<b>NESTEGGG ACCOUNTING SERVICES</b> 258 N. PALM CANYON DR. PALM SPRINGS, CA 92262		<b>J&amp;M CONCRETE CONTRACTORS</b> 749 N. POPLAR ST. ORANGE CA 92868



NEW BUSINESS

County of Riverside

<b>URIZA</b> 14327 FREDRICK ST. MORENO VALLEY, CA 92553	<b>THE AROMA RANCH</b> 58581 HWY 371 ANZA, CA 92539	<b>CORONA MINI STORAGE</b> 1051 POMONA RD. CORONA, CA 92882	<b>BAR TRENDERS</b> 30414 DE CARON ST. MURRIETA CA 92563	<b>HOUSEHOLD HEALTH-CARE</b> 42400 MORAGA RD. STE. 302 TEMECULA, CA 92591	<b>AVALAND CONTRACTOR</b> 4162 ADAMS ST. RIVERSIDE, CA 92504
<b>R-SCAPE LANDSCAPE CO.</b> 650 MAPLE AVE. BEAUMONT, CA 92223	<b>CREOSOTE PARTNERS</b> 901 E TAHQUITZ CANYON WAY STE. B-201 PALM SPRINGS, CA 92262	<b>WOOLEY'S</b> 54274 N. CIRLCE DR. IDYLLWILD CA 92549	<b>MARK II PROPERTIES</b> 31285 TEMECULA PARKWAY STE. C8-200 TEMECULA, CA 92592	<b>DIRT SOLUTIONS</b> 27538 AUCILLA CT. WINCHESTER, CA 92596	<b>BELLA SORRISO</b> 26193 PALM TREE LN. MURRIETA, CA 92563
<b>TOM'S TRUCK SHOP</b> 44093 C ST. HEMET, CA 92544	<b>JOSE'S MOBILE CAR WASH</b> 30668 JESSICA ST. THOUSAND PALMS, CA 92276	<b>AWESOME DRESS SHOP</b> 200 S. MAIN ST. LAKE ELSINORE, CA 92530	<b>AFFORDABLE CREATIONS BY TRENDY TRASH</b> 26433 ROLAND RD. MURRIETA, CA 92563	<b>B &amp; F PROPERTIES</b> 10726 HOLLENBECK DR. RIVERSIDE, CA 92505	<b>CANTON CHINESE</b> 1756 UNIVERSITY AVE. STE. 100 RIVERSIDE, CA 92507
<b>IRRESPECT</b> 3976 BARBURY PALMS WAY PERRIS, CA 92571	<b>DE LA CRUZ FARM LABOR CONTRACTING</b> 65-014 DONOVAN CIR. MECCA, CA 92254	<b>CALIFORNIA CREPES ON A STICK</b> 1800 E. LAKESHORE DR. STE. 606 LAKE ELSINORE, CA 92530	<b>JUNKY TRUNKS BY TRENDY TRASH</b> 26433 ROLAND RD. MURRIETA, CA 92563	<b>ROYALTY TRANSPORT</b> 21788 GLEN VIEW DR. MORENO VALLEY, CA 92557	<b>VALINA DURHAM DREAM BUILDERS INVESTMENTS</b> 18855 CONSUL AVE. CORONA, CA 92881
<b>MCI CONSTRUCTION COMPANY</b> 82-746 KYLE DR. INDIO, CA 92203	<b>JOCY'S BARBER SHOP</b> 82-365 HWY 111 STE. 4 INDIO, CA 92201	<b>J.K. CABINET WHOLESALERS</b> 15881 LA COSTA ALTA DR. MORENO VALLEY, CA 92555	<b>BOSSIN UP</b> 3081 CANYON CREST DR. STE. B RIVERSIDE, CA 92507	<b>SENERGY HEATING AND AIR CONDITIONING</b> 9351 STIRRUP ST. RIVERSIDE, CA 92509	<b>SHAZZAM ELECTRIC</b> 28201 CANNON DR. SUN CITY, CA 92585
<b>AUMSHANTI INTERNATIONAL</b> 28929 ALESSANDRO BLVD. MORENO VALLEY, CA 92555	<b>SOLAR VENTURES</b> 52105 AVENIDA HERRERA LA QUINTA, CA 92253	<b>TERMITE MATADOR</b> 2522 CAVALCADE CT. PERRIS, CA 92571	<b>ZZ ROUGH RIDER</b> 3081 CANYON CREST DR. STE. B RIVERSIDE, CA 92507	<b>OXFORD DATA &amp; MAIL SVC</b> 469 SAN REMO AVE. SAN JACINTO CA 92582	<b>STERLING RV</b> 42440 WINCHESTER RD. TEMECULA, CA 92590
<b>VINNY NAILS - SPA</b> 73-910 HWY 111 STE. G PALM DESERT, CA 92260	<b>FORD PROPERTIES</b> 73-141 FRED WARING DR. PALM DESERT, CA 92260	<b>XTREME TRANSMISSION &amp; AUTO REPAIR</b> 2189 SAMPSON AVE. STE. 101 CORONA, CA 92879	<b>ENERGYGYD</b> 2023 ADOBE AVE. CORONA,CA 92882	<b>NEXT LEVEL HOOP STARS</b> 573 WALTZ RD. PERRIS CA 92570	<b>IE WATER WORKS</b> 4741 FOXBOROUGH CT. RIVERSIDE, CA 92509
<b>MEX-AMERICAN TAX SERVICE OF COACHELLA</b> 49913 HARRISON ST. COACHELLA, CA 92236	<b>CONCIERGE, ETC.</b> 50660 EISENHOWER ST. STE. 1112 LA QUINTA, CA 92253	<b>LAM</b> 42090 LORRAINE CIR. MURRIETA, CA 92562	<b>NATURAL PET FOOD &amp; SUPPLIES</b> 39650 WINCHESTER RD. STE. D TEMECULA, CA 92591	<b>JIM'S LOCK AND KEY</b> 3776 VINE AVE. NORCO, CA 92860	<b>DISCOVER THE PASS INC</b> 1098 SILVER STAR DR. BANNING, CA 92220
<b>ROCK CHURCH OF COACHELLA VALLEY</b> 75400 GERALD FORD DR. STE. 110 PALM DESERT, CA 92211	<b>PEA SHOOTS CATERING</b> 74166 PEPPER GRASS ST. PALM DESERT, CA 92260	<b>MR. KABOB MEDITERRANEAN FRESH GRILL</b> 28120 JEFFERSON AVE. TEMECULA CA 92590	<b>AEZ MOVE</b> 914 PARK AVE. SAN JACINTO, CA 92583	<b>BE HAPPY NUTRITION CENTER</b> 23639 SUNNYMEAD BLVD. STE. H MORENO VALLEY CA 92553	<b>CARE PLUS</b> 808 DE ANZA CIR. CORONA, CA 92882
<b>DESERT STAR REALTY</b> 79926 AMORA DR. LA QUINTA, CA 92253	<b>B G'S EL PASEO</b> 73-130 EL PASEO PALM DESERT, CA 92260	<b>POWDER COATING BLUES</b> 43214 BLACK DEER LOOP STE. 205 TEMECULA CA 92590	<b>SERVICIOS DE NEGOCIO DE PONCE</b> 31104 CAMINO VERDE TEMECULA, CA 92591	<b>RIVERSIDE TAX TEAM</b> 5858 MAGNOLIA AVE. STE. A RIVERSIDE CA 92506	<b>FAIRWAY HOMES IN PALM SPRINGS</b> 78-920 SONESTA WAY LA QUINTA, CA 92253
<b>MM&amp;M PRODUCTIONS</b> 69760 CAMINO PACIFICO RANCHO MIRAGE, CA 92270	<b>SAGEWATER SPA</b> 12689 ELISEO RD. DESERT HOT SPRINGS, CA 92240	<b>JC PRO PAINTING</b> 45531 CLUBHOUSE DR. TEMECULA CA 92592	<b>ALKAM CASH FOR GOLD</b> 51706 HARRISON COCHELLA, CA 92236	<b>RIVERSIDE TAX TEAM</b> 5858 MAGNOLIA AVE. STE. A RIVERSIDE, CA 92506	<b>SIGNS BY TOMORROW-PALM DESERT</b> 73850 DINAH SHORE DR. STE. 101 PALM DESERT, CA 92211
<b>BRIDAL ANGEL</b> 45325 PANORAMA DR. STE. 15 PALM DESERT, CA 92260	<b>SAGEWATER GET AWAY</b> 12689 ELISEO RD. DESERT HOT SPRINGS, CA 92240	<b>THOROUGHNBRED PREVIEW</b> 31152 BELL CIR. WINCHESTER, CA 92596	<b>ORTIZ CONSULTING GROUP</b> 4197 WITT AVE. RIVERSIDE CA 92501	<b>FAIR TRADE WORLD</b> 23587 TAFT CT. MURRIETA, CA 92562	<b>STEVE'S DESERT HANDYMAN</b> 73243 CATALINA WAY PALM DESERT, CA 92260
<b>HEALTHY CHOICE</b> 68030 VISTA CHINO STE. 104 CATHEDRAL CITY, CA 92234	<b>CENTURY 21 WRIGHT</b> 30610 RANCHO CALIFORNIA RD. TEMECULA CA 92591	<b>BOBI</b> 1311 CORONA AVE. NORCO CA 92806	<b>GIFT BASKET MALL</b> 3533 CORONA AVE. NORCO, CA 92860	<b>DONA ANA'S PUPUSERIA AND RESTAURANT</b> 9638 MISSION BLVD. JURUPA VALLEY, CA 92509	<b>PARK VIEW OPTICAL</b> 68955 RAMON RD. STE. 6 CATHEDRAL CITY, CA 92234
<b>J R ASSOCIATES, REALTORS</b> 43840 SAN YSIDRO CIR. PALM DESERT, CA 92260	<b>IMPALA PALM SPRINGS</b> 555 EAST SAN LORENZO RD. PALM SPRINGS CA 92264	<b>USANICA TRANSPORT</b> 16710 TARANO LN. MORENO VALLEY, CA 92551	<b>GUZPAR FRUIT</b> 26418 THOROUGHNBRED LN. MORENO VALLEY, CA 92555	<b>ENERGY BALANCE</b> 26805 HOWARD MANOR HEMET, CA 92544	<b>OPTICAL CANDO'S</b> 68955 RAMON RD. STE. 6 CATHEDRAL CITY, CA 92234
<b>JIM ROSE, REALTOR</b> 43840 SAN YSIDRO CIR. PALM DESERT, CA 92260	<b>TRIANGLE INN PALM SPRINGS</b> 555 EAST SAN LORENZO RD. PALM SPRINGS CA 922564	<b>LOOKSY COUTURE</b> 120 N. PALM CANYON DR. PALM SPRINGS, CA 92262	<b>STAR BUZZ TOBACCO</b> 790 S. STATE ST. STE. F SAN JACINTO, CA 92583	<b>POOLMAN</b> 2411 SUNSET DR. RIVERSIDE, CA 92506	<b>CART CONNECTION</b> 76717 CALIFORNIA DR. PALM DESERT, CA 92211
<b>AIR SUPPLY, LTD</b> 583 S. OLEANDER RD. PALM SPRINGS, CA 92264	<b>HEMET DOG DAYS OF SUMMER</b> 530 W DEVONSHIRE AVE. STE. 79 HEMET CA 92543-2867	<b>DEVINE PLUS CLOTHING</b> 19171 DIPLOMAT AVE. CORONA CA 92881	<b>CUCCINA DELI</b> 311 S STATE ST. HEMET, CA 92543	<b>A&amp;J WELLNESS CLUB</b> 24877 SUNNYMEAD BLVD. MORENO VALLEY, CA 92553	<b>FASHION SEASON 2</b> 82204 HWY 111 STE. H INDIO, CA 92201
<b>CAFE SCANDIA</b> 356 S. INDIAN CANYON DR. PALM SPRINGS, CA 92262	<b>HILZ CABEL ASSEMBLIES INC</b> 31889 CORYDON ST. STE. 110 LAKE ELSINORE CA 92530	<b>KNOWSLIP.COM</b> 24844 HAYES AVE. MURRIETA, CA 92562	<b>INLAND WEST HOME LOANS</b> 504 EAST 6TH ST STE. B CORONA CA 92879	<b>MUTTLY MAKEOVERS</b> 19353 COWAN RD. PERRIS, CA 92570	<b>RUSIK</b> 3030 RAINBOW LN. BANNING CA 92220
<b>THE GROUTSMITH</b> 80509 CAMINO SAN LUCAS INDIO, CA 92201		<b>HIDDEN TREASURES &amp; COLLECTIBLES</b> 28822 OLD TOWN FRONT STE. 202 TEMECULA CA 92592	<b>READY SET GROW</b> 6386 FERN CT. EASTVALE CA 92880		



## EXECUTIVE TIME OUT

### The Renaissance Las Vegas Hotel—a Place of Serious Business in Las Vegas

By Ingrid Anthony



You have a business related trip that is being held in Las Vegas. You probably think to yourself, “How is that going to happen with all the noise, smoke and the racket of slot machines?” This is a very important business trip, and I don’t want the excess of Las Vegas’ distractions with neon lights and loud music.

The good news is there are some hotels in Vegas that offer peace and tranquility for those who want and need it for those occasions. One such hotel is the Renaissance Las Vegas Hotel. It is part of the Marriott chain and is the largest non-smoking and non-gambling hotel in the area. If your business is associated with the Las Vegas Convention Center, it is a stone’s throw from that site. Actually, it is the perfect choice for the business traveler with its ideal location and calm environment—and if your family has to accompany you, it offers an ambiance of family-friendly surroundings without the smoke and mayhem of the casinos located in the lobbies of the other hotels.

However, if one does want to see a show and gamble, the hotel is located just off the Las Vegas Strip—so you do have a choice. You can enjoy the prox-

imity to everything Las Vegas has to offer and return to your refuge from the hustle and bustle of The Strip. If you wish to travel by the Monorail, it is found right outside the hotel.

The Renaissance Las Vegas is a contemporary hotel with luxurious rooms. Their deluxe standard room includes a 42” flat panel LCD TV, refrigerator, coffee-tea maker, bathrobes, and even Egyptian cotton bed liners with down comforters and duvets. The bathrooms are spacious with walk-in showers and separate full-size bathtubs.

The hotel includes a state-of-the-art health club and fitness center which is open 24-hours a day, a lush pool area and a 24-hour business center which you can even receive deliveries and coordinate all of your business needs.

Gourmet enthusiasts will also take pleasure in their fine selections of restaurants. An award-winning steakhouse, Envy, offers a wine selection of

over 1,500 bottles and an array of unique hand-crafted cocktails. Some choices include the Primo (Absolut, Canton ginger liquor, fresh lemon and strawberry juice); Fifty Five Mojito (Flor de Cana aged rum, hand-pressed mint, lime and blackberries, lavender essence and splash soda water); and Sin-U-Rita (Espolon tequila, hibiscus, hand-pressed lime and Serrano, agave nectar). I think you get the picture.

The Envy Steakhouse offers fine dining from Angus filet to bone-in rib eye. Their specialties are, of course, steaks; however, if you are not a steak lover, other options are available such as Tuscan veal chop, Dijon crusted lamb chops, broiled lobster tail, chicken breast, jumbo shrimp and pan-seared sea bass. Their signature sauces adds to the delight of the meal such as pinot noir reduction, béarnaise, spicy chipotle-gorgonzola and a

mushroom sauce. Desserts include grand Marnier and orange brulee, warm sticky toffee pudding and bittersweet warm chocolate cake and other exceptional selections. For a less formal and a relaxed dining experience, try Grill 55 which offers comfort food dishes such as BBQ chicken, BBQ ribs, fish tacos, prime rib along with favorites as hamburgers and turkey wraps.

Renaissance Las Vegas Hotel offers wedding packages for those couples who want a more sophisticated venue in Las Vegas. Special packages for corporate meetings or other social occasions are also available.

If you do not want having to fight through a casino to get to your room and long for a somewhat peaceful time in Las Vegas, but close to the action if you so wish, the Renaissance Las Vegas Hotel is a great choice for your stay in Vegas.

*The Renaissance Las Vegas Hotel is located at 3400 Paradise Road, Las Vegas, Nevada 89169. For more information visit their web site at [www.renaissancelasvegas.com](http://www.renaissancelasvegas.com) or call 702-784-5700.*





Future of Health...

*continued from pg. 3*  
informed decisions,” said Goldstein. “Trusted, licensed and qualified brokers can also provide guidance and important perspective on everything from routine issues to serious policy interpretation.”  
Health insurance exchanges create an online, one-stop shop-

ping mall where employers, consumers, insurance brokers and others can easily view competing health plans side by side, comparing benefits, costs, provider networks and other features and choose the one that best fits their needs. The PPACA mandates that all U.S. states and territories establish and launch their own health insurance exchange by Jan. 1,

2014, or default to a federal fallback program.  
For the past 16 years, CHOICE Administrators has operated CaliforniaChoice, the nation’s most successful small group private exchange. CHOICE Administrators is also working in partnership with Xerox to provide support to the Florida Health Choices program and the Nevada Silver State

Health Insurance Exchange and is in final discussions with other states as well.  
In addition to examining the future of health insurance exchanges, the IEAHU Carrier Panel Forum also discussed industry issues like the emergence of accountable care organizations, the importance of promoting a culture of wellness in the workplace, and the challenges California’s health plans face in handling the influx of newly insured citizens as a result of the PPACA.

Founded in 1990, the Inland Empire Association of Health Underwriters was formed to serve the needs of health insurance agents and brokers in Riverside and San Bernardino counties. It also has a satellite chapter, the Desert Empire Sub-Chapter, which serves the membership of the low desert and the Coachella Valley. Representing approximately 200 agents, brokers and industry representatives, IEAHU is affiliated with the California Association of Health Underwriters and the National Association of Health Underwriters, which boasts more than 18,000 members.

CHOICE Administrators Exchange Solutions is part of The Word & Brown Companies, the nation’s leading developer and administrator of consumer-choice insurance exchange models. Among the exchanges currently operated by CHOICE Administrators are the CaliforniaChoice® small group (2-50 employees) and mid-market (51-199 employees) private exchanges currently serving more than 10,000 employers and more than 150,000 members; HSA California; Choice Builder, the nation’s first ancillary benefit exchange; and Quotit, one of the nation’s largest individual/family proposal and online enrollment systems that generated 22 million individual health quotes in 2011. Other CHOICE Administrators products include Kaiser Permanente Choice Solution and Contractors’ Choice.

Inland Community Bank has changed its name.  
And now we’re changing business banking for the better.

We’re transforming ourselves to become an even better banking solution for businesses. Why? Because we’re for the entrepreneurs and the going concerns...the innovators, the movers and shakers, the fabricators and the job creators. We’re for those who take a dream, make it a plan, then turn it into reality—the ones who pursue free enterprise at all costs, and just happen to build a stronger America along the way. We’re banking on the businesses.



Find us here:

<b>DUARTE:</b> 1801 Huntington Drive Duarte, CA 91010 626.357.9611	<b>LOS ANGELES:</b> 306 N. La Brea Ave. Los Angeles, CA 90036 323.935.6132	<b>ONTARIO:</b> 3999 E. Inland Empire Blvd. Ontario, CA 91764 909.483.8888	<b>PASADENA:</b> 721 E. Union Street, Pasadena, CA 91101 626.204.0477	<b>RIALTO:</b> 255 S. Riverside Ave. Rialto, CA 92376 909.874.4444
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